

الهرالد تريبيون

PEOPLE  
The Global Newspaper  
Printed simultaneously  
in Paris, London, Zurich,  
Hong Kong, Singapore,  
The Hague and Marseille

# INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

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No. 31,502

PARIS, FRIDAY, JUNE 1, 1984

ESTABLISHED 1887

## Blast in Nicaragua Wounds Pastora, Kills 5 at Meeting

**The Associated Press**  
LA PENCA, Nicaragua — Edén Pastora, the Nicaraguan guerrilla leader, was wounded and five persons were killed when a bomb exploded during a news conference at Mr. Pastora's jungle headquarters.

The explosion Wednesday night occurred about one mile (1.6 kilometers) from the Costa Rican border. Mr. Pastora's guerrilla forces have been fighting in the region against troops of Nicaragua's left-Sandinista government.

Among those killed was Linda Frazier, 38, a U.S. citizen and reporter for the *Time* magazine. She was the 14th foreign journalist to be killed in Central America.

Also killed was Jorge Quiroz, a Costa Rican television cameraman in San José, a woman guerrilla who was in charge of the camp, and two persons who were not immediately identified.

Red Cross officials said 28 persons were injured. Sixteen were taken to a hospital in Quezada, Costa Rica.

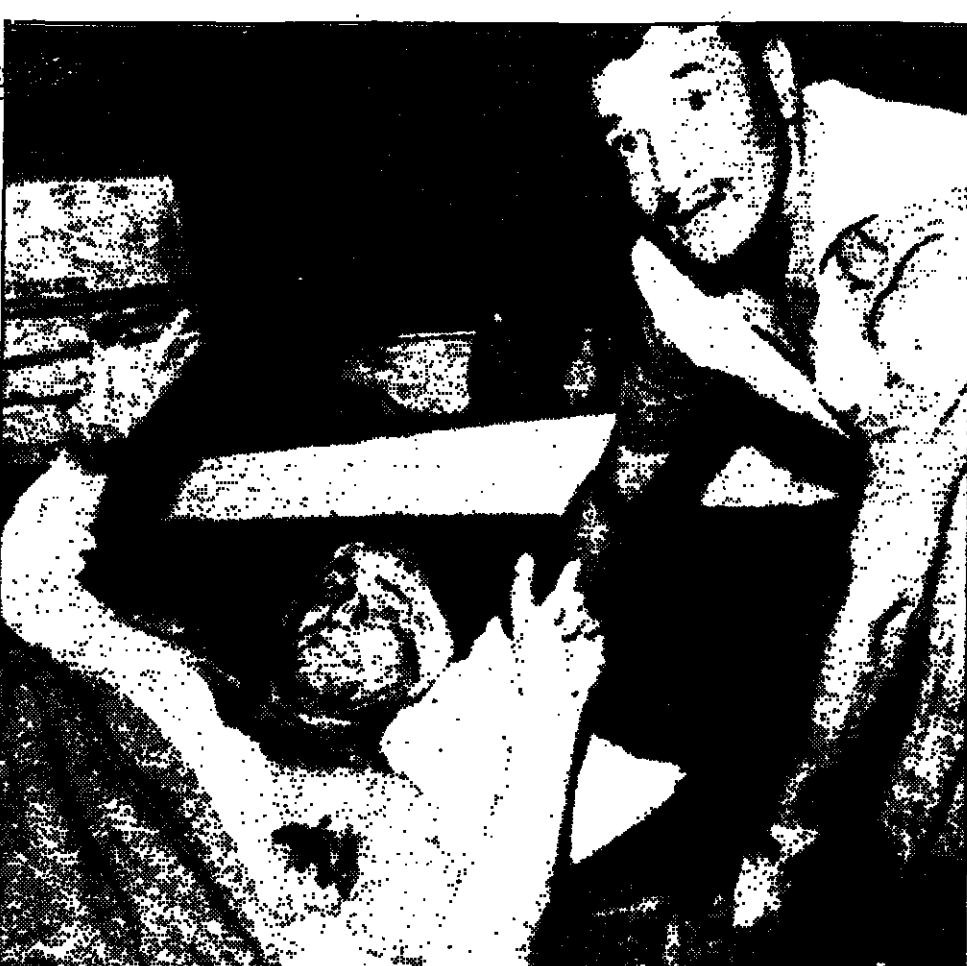
Mr. Pastora, the 48-year-old leader of the Costa Rican-based Revolutionary Democratic Alliance, was taken to a clinic in San José.

A clinic official said Mr. Pastora had first-degree and second-degree burns on his chest and had shrapnel in his face and legs. The official said Mr. Pastora was in satisfactory condition.

A spokesman for President Luis Alberto Monge of Costa Rica, who is visiting Spain, said Mr. Monge had ordered that Mr. Pastora be placed under arrest as soon as he crossed the frontier from Nicaragua.

But the Costa Rican security minister, Angel Edmundo Solana, denied that Mr. Pastora had been formally arrested. United Press International reported from San José that Mr. Solana said that "for humanitarian reasons he was permitted to enter the country, and for security reasons he is under custody." The government said it would expect Mr. Pastora as soon as he recovered from his wounds. UPI reported that President Monge has sought to end Costa Rica's military elements of the Nicaraguan exile community, saying they jeopardize the nation's neutrality.

Mr. Pastora, known as Commander Zero, was a hero of the Sandinista revolution in which the dictator Anastasio Somoza was de-



Edén Pastora Gómez, the Nicaraguan rebel leader, after explosion at news conference.

## NATO to Aim for Better Soviet Ties

**The Associated Press**  
WASHINGTON — Foreign ministers of the 16 NATO countries on Thursday ended a three-day discussion of Kremlin strategy and resolved to step up attempts to improve ties with the Soviet Union and its allies through talks, trade and military balance.

The ministers issued a six-page communiqué restating North Atlantic Treaty Organization policy of maintaining a strong defense while being open to negotiations with the Soviet-led Warsaw Pact. They also issued a four-page statement on East-West relations.

"The purpose of the alliance is exclusively defensive," the statement said. "None of the weapons will ever be used except in response to attack."

The ministers said the Soviet Union had engaged in a huge military buildup threatening Western security, but they said the NATO allies were "convinced that there exist areas where common interests should prevail."

The U.S. secretary of state, George P. Shultz, said the meeting had been "of immense significance for the cause of peace and value of freedom."

President Ronald Reagan delivered brief remarks in the White House Rose Garden after a meeting with the NATO ministers. Mr. Reagan said improved relations between the West and the Soviet Union were vital to the cause of peace.

"We all recognize there is no more important consideration than the development of a better working relationship with the Soviet Union, one marked by greater cooperation and understanding and leading to stable, secure and peaceful relations," Mr. Reagan said.

Mr. Reagan said: "When the Soviet Union returns to the negotiating table, we will meet them halfway."

Mr. Reagan neither suggested any change in U.S. policy toward the Soviet Union nor hinted at any concessions to get Moscow to return to the arms talks. His remarks essentially were a re-statement of views he has expressed previously.

At a news conference later, Mr. Shultz said the Soviet Union appeared to have deliberately em-

## Kuwait Asks to Buy U.S. Stinger Missiles

**By Rick Atkinson and Fred Hiatt**  
*Washington Post Service*

WASHINGTON — Kuwait has informally asked the United States to provide it with Stinger anti-aircraft missiles such as those sold earlier this week to Saudi Arabia, a Defense Department official said Thursday.

The Pentagon spokesman, Michael Burch, said Kuwait's request was passed on through the U.S. Embassy there and that a 15-member U.S. military team was now in the country assessing Kuwait's defense needs.

"Informally, they have approached our government about the availability of Stingers," he said. "We don't want to ship and supply them with something they can't use. We've got to wait for the review to see what their needs are."

On Wednesday, Pentagon sources revealed the Kuwaiti request for an unspecified number of Stingers. According to a Pentagon official, the Kuwaitis were "told that they need to formalize their request" before any action can be taken.

"I guess they feel just as vulnerable" as the Saudis to Iraqi and Iranian warplanes that have attacked Gulf shipping in recent weeks, the official said.

He noted that the Saudis have been sharing with Kuwait military intelligence gleaned from U.S. Airborne Warning and Control Systems (AWACS) planes assigned to Saudi Arabia.

A senior Pentagon official said Wednesday that "the Saudis have a responsibility to protect Kuwait's interests. The Saudi responsibility is regional self-defense."

It is not clear, however, whether that viewpoint would preclude emergency U.S. military sales to Kuwait.

[Kuwait declined comment Thursday on the reports that it had asked to buy Stingers. The Kuwait News Agency said an official source in the Defense Ministry declined any comment on the missiles, but confirmed that the U.S. military delegation was in Kuwait.]

There is a consensus in the Pentagon that "it's the Saudis' turn" to take military action in the Gulf now that the United States has provided them with 400 shoulder-fired Stingers, extra fuel tanks for their F-15 fighters and four U.S.-manned aerial tankers to allow them to maintain round-the-clock patrols, the senior official said.

The Saudis are also buying more than 1,000 U.S. A-7G Corsair fighters, which allow an F-15 to fire head-on at an enemy plane so that it does not have to maneuver behind it to aim a heat-seeking missile at its exhaust.

"You would have to try hard to have an F-15 with an A-7, not of the Gulf, by the carrier America, according to U.S. Navy officers. The senior official said it had not been decided whether to leave both carriers in the Arabian Sea, although the Kitty Hawk's departure has been delayed.

Although inexperienced, the Saudi F-15 pilots are competent and are defending a zone in the southern Gulf close to their home bases with "better airplanes and more of them" than either Iran or Iraq can muster, the official said.

When asked if the Saudi pilots have mastered the tricky art of mid-air refueling at night, he added, "It's the kind of thing that can be picked up in a week of practice."

**Iraq Warns Iran Against New Offensive**  
*By Judith Miller*  
*New York Times Service*

KUWAIT — Iraq warned Thursday that it would destroy Iran's Kharg Island oil terminal if Tehran launched a new offensive and continued to reject a negotiated settlement of the Gulf war.

The major policy pronouncement appeared in the form of a full-page story on the front page of *Al-Thawra*, the newspaper of Iraq's ruling Ba'ath Party.

Western and Arab officials said that this was the first time that Iraq had threatened to destroy Kharg Island to a possible land offensive by Iran.

For several weeks, there has been speculation in the Gulf that Iran might launch a long-awaited land offensive against the southern Iraqi port city of Basra during Ramadan, the Muslim holy month of prayer and dawn-to-dusk fasting, which is scheduled to begin Friday.

"Iraq will destroy Kharg and wipe its oil installations from the map if Iran tries to mount a new aggression on Iraqi borders and insists on refusing a peaceful solution to the conflict," the newspaper declared.

The article asserted that Iraq had "postponed" destroying Kharg Island to "give the world an opportunity to exert further efforts to settle the dispute," and to give the Tehran government a "last chance to revise its attitude."

With the war between Iran and Iraq entering its 45th month, efforts by Islamic groups, concerned Arab states and international organizations have failed to resolve the conflict diplomatically.

In further developments in the Gulf war, there were conflicting reports Thursday about damage inflicted in an air attack announced by Iraq on Wednesday against an unidentified tanker south of Kharg Island. Japan's Ship Owners' Association said late Wednesday that the *Atlanticos*, a Liberian-registered tanker, on charter to Mitsubishi Corporation, had been hit off Kharg Island.

But Reuters, quoting "informed shipping sources," reported that the 260,000-ton ship that was ostensibly hit was seen loading crude oil Thursday at Kharg Island.

Japanese ship owners decided last week to stop sending Japanese-owned ships, or those manned by Japanese crews, to the northern Gulf ports because of recent attacks on shipping by Iranian and Iraqi aircraft. But Japanese oil refiners and importers have continued to send chartered vessels into the area, shipping sources said.

Saudi Arabia received delivery of an emergency shipment of 400 U.S.-made Stinger missiles on Tuesday to protect ships and land installations from attack by Iran.

**Iraq Tells of New Raid**  
Iraq announced that its planes raided an oil refinery in northern Iran on Thursday. The Associated Press reported from Bahrain.

An Iraqi military spokesman, speaking on state television, said Iraqi jets attacked an oil refinery and a pumping station near Tabriz, about 300 miles (500 kilometers) northwest of Tehran.

The attack was "carried out this evening. The two targets were accurately hit," the spokesman said. "All Iraqi jetfighters returned safely to base except for one, which was downed in enemy territory."

There was no immediate confirmation from Iran.

## Vaccine for Chicken Pox Called Effective in Study

**By Christine Russell**  
*Washington Post Service*

WASHINGTON — An experimental vaccine against chicken pox has been found to be effective and safe in tests on nearly 1,000 children, researchers in Pennsylvania have reported.

"I do foresee this being used on all children as a routine immunization," Dr. Robert E. Weibel, the University of Pennsylvania pediatrician who led the study, said in a report published Wednesday.

Additional studies will be needed to determine the new vaccine's long-term risks and benefits before it is ready for widespread use, he said.

Dr. Weibel and scientists with Merck Sharp and Dohme Research Laboratories, a West Point, Pennsylvania, company that is developing the vaccine in the United States, predicted that it could take up to two years to conduct follow-up studies before the drug can be marketed for routine use.



Missile Umbrellas Go Up to Protect Kohl

Aides to Chancellor Helmut Kohl put up umbrellas at a rally Wednesday in Hamburg to shield the West German leader from demonstrators who hurled eggs, firecrackers and paint-filled plastic bags. In Aachen on Thursday, Mr. Kohl called for moves toward the creation of a United States of Europe, echoing an appeal by President François Mitterrand for political unity.

## U.K. Miners, Employers Hold Talks

**Compiled by Our Staff From Dispatches**  
**LONDON** — Union officials and employers in Britain's coal dispute met Thursday, but there was no sign of an early settlement.

Meanwhile, striking miners and police clashed for the third straight day in a strike called three months ago to protest against plans to close unprofitable mines.

The state-owned National Coal Board and the National Union of Mineworkers said in a statement after the talks that they would meet again as soon as possible. Their last meeting ended in angry public recriminations.

Earlier Thursday, thousands of police were deployed in and around coalfields in northern England after two days of fighting on picket lines.

Riot squads and mounted police massed at the Orgreave coking plant in South Yorkshire, where 81 people have been injured and 127 arrested in violence since Tuesday.

Coal industry sources said the president of the union, Arthur Scargill, who was arrested on the Orgreave picket line Wednesday, led the union side at Thursday's talks.

The coal board's chairman, Ian MacGregor, did not attend the meeting, a board spokesman said. It was held at a secret venue to avoid publicity by news organizations, a union official said.

Mr. MacGregor said Wednesday night that his plans for pit closures and voluntary job cuts among Britain's 180,000 miners were not negotiable. Mr. Scargill said he will not negotiate with Mr. MacGregor until pit closures are removed from the agenda.

The government was still refusing to intervene in the talks, despite the lack of progress. Prime Minister Margaret Thatcher on Wednesday accused pickets of trying to impose "the rule of the mob."

The miners, who already have been split by the refusal of the moderate Nottinghamshire pitmen to join the strike, suffered another blow with mineworkers' elevator operators in Barnsley, Yorkshire, voted to go back to work next week.

(Reuters, AP)

## Cameroon Pidgin Is Fun — and Useful

**By Clifford D. May**  
*New York Times Service*

YAOUNDE, Cameroon — More than a thousand languages are spoken between Cairo and the Cape of Good Hope. About 285 of them are spoken in Cameroon, including French and English, the "official" languages here.

But the fastest-growing language in this West African nation, and one already widely spoken in many of its cities and provinces, is not any of these but is rather a singsong tongue known as Cameroonian pidgin.

"I consider myself well-educated," said Emmanuel Kome Epule, deputy director of the Ministry of Information. "But among my friends I speak pidgin. It's the language you use when you socialize, when you tell jokes, when you want to enjoy yourself. It's the language of fun."

David Bellama, the U.S. Peace Corps director in Cameroon and the co-author of "An Introduction to Cameroonian Pidgin," said, "Pidgin is a language and not a dialect or a substandard version of English."

It has its own grammatical system and its own vocabulary, which is derived from English, Portuguese and a number of other European and African languages.

For example, the pidgin word for child, "pikin," comes from a Portuguese word meaning small. The word for trouble, "wahala," is taken from Hausa, a language of the region south of the Sahara. And the pidgin for submarine is "bottom-bottom wata waka," a descriptive derivation from English.

The surprising growth of the use of pidgin was documented in a study financed primarily by the Ford Foundation and the U.S. State Department.

According to Mr. Bellama, pidgin originated in the 15th century, when Portuguese sailors and traders first began to make contact with the peoples of West Africa. By the 17th century, he said, many Europeans and Africans were using pidgin to communicate and facilitate commerce. By the 19th century, Mr. Bellama said, pidgin was expanding rapidly along much of West Africa's Atlantic seaboard.

Speakers of modern Cameroonian pidgin say that despite regional variations, they can easily communicate with pidgin speakers in Nigeria, Benin, Ghana, Sierra Leone and even Gambia, which is more than 2,000 miles (3,234 kilometers) away. Pidgin has also spread south from Cameroon to Equatorial Guinea.

Pidgin's primary importance is in the marketplace. For example, in Douala, Cameroon's largest city, an estimated 93 percent of the population uses pidgin to shop, according to Mr. Bellama.

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# Europe Plays Down Gulf Crisis to Avoid Military Involvement

By Michael Dobbs  
and Michael Getler  
Washington Post Service

PARIS — Anxious to avoid any new military intervention in the Middle East, Western European countries have reacted cautiously to the escalation of fighting in the Gulf and have played down the threat to their oil supplies.

While the United States has had consultations on a military level with Britain and France on possible contingency plans for the Gulf, the allies seem more concerned with restraining the Reagan administration from taking military action, according to U.S. and foreign officials.

The allies' reluctance to contemplate active military involvement reflects a belief that, while the situation in the Gulf has clearly deteriorated over the last few weeks, the war between Iran and Iraq remains a regional conflict.

According to one well-placed U.S. source in London, Western Europeans appear concerned that the White House might use some incident in the war as a pretext for striking at Iran.

French officials seemed determined to avoid a repeat of the experience in Beirut where Western Euro-

pean contingents to the multinational peacekeeping force became identified in the eyes of some local factions with U.S. foreign policy aims in Lebanon.

The upsurge in attacks on ships in the Gulf has been followed particularly closely by France's Socialist government, Iraq's second largest supplier of arms after the Soviet Union. The Iraqi Air Force is believed to have made use of five Super-Etendard jet fighters purchased last October in its attacks on shipping near the Iranian oil terminal on Kharg Island.

Despite the escalation of the conflict, French officials have confirmed that they have maintained arms sales to Baghdad, including the delivery of Mirage F-1 fighters capable of firing the highly destructive surface-skimming Exocet missiles also used by the Super-Etendards. The arms deliveries have been justified in Paris as helping to restore the balance in the Gulf war and to avoid the risk of the spread of Islamic fundamentalism that might follow an Iraqi collapse.

According to the Institute for Strategic Studies in London, France has also supplied Iraq with 150 combat helicopters, Roland anti-aircraft missiles and at least 100 tanks. Before the latest deliveries, the Iraqi Air Force was equipped with around 40 Mirage F-1 fighters equipped with Magic missiles.

In a recent radio interview, Foreign Minister Claude Cheysson reacted to suggestions that the French arms

sales had helped Iraq extend the war zone by recalling that Iran had already imposed a blockade against Iraqi oil exports through the Gulf.

Mr. Cheysson insisted that the attacks on shipping in the Gulf had not yet had a serious impact on the world oil market, despite earlier predictions of a cutoff in oil exports. This view was echoed at a news conference by Michel Pequeureux, the president of France's largest oil company, Elf-Aquitaine, who said that the situation in the Gulf was being overestimated.

France receives roughly 30 percent of its oil from the Gulf, making it one of the Western countries most dependent on the region after Japan and Italy. Britain, an oil producer itself, does not rely on Gulf oil.

While French strategists acknowledge that the Gulf conflict could deteriorate in the short term, particularly if Iran launches its long-awaited "decisive offensive" during the feast of Ramadan in June, they do not foresee circumstances that would justify Western intervention. Experts at the Defense Ministry regard the Saudi Air Force, equipped with F-15s and aided by AWACS early warning aircraft, as more than a match for the seriously depleted Iranian Air Force.

"Everybody should remain quiet and collected about the whole business, without the kind of sabre-rattling we saw in Beirut, which ended with the precip-

itate withdrawal of American and British forces. The American performance in Beirut makes them less credible this time," remarked a French military specialist.

Dominique Moisi, the associate director of the French Institute for International Relations, believes that in extreme circumstances France would be prepared to intervene militarily in the Gulf while taking care to distance itself politically from U.S. actions. But he noted that Western Europeans were much less concerned today about possible disruption of oil markets than after the first Arab oil embargo 10 years ago.

European military sources said that there were differences with Washington over the so-called "rules of engagement" that would apply if joint military action was required. These rules provide guidelines for military forces on various hypothetical situations such as whether allied jet fighters would be allowed to pursue attacking Iranian jets over Iranian territory.

The impression gained from talks with European military specialists is that if the French and British did get involved alongside the United States, each country would insist on operating under its own rules of engagement. Such an arrangement might allow the Europeans to distance themselves from any U.S. action they viewed as too aggressive.

## WORLD BRIEFS

### German Employers Maintain Lockout

FRANKFURT (AP) — Employers in Hesse state said Thursday they would continue to lock out 26,300 automobile workers while appealing a ruling that the lockout is illegal.

On Wednesday, a Frankfurt labor court had ordered the employers' association to withdraw its lockout order by June 6 or face a fine of 500,000 Deutsche marks (\$185,000). Employers appealed the ruling and a higher labor court was expected to make a decision next Monday.

Friedrich Peppeler, head of the Hesse employers' association, said the lockouts at 16 plants would continue meanwhile. The 18-day-old strike, for a 35-hour week, and the layoffs and lockouts that have ensued have idled 350,000 workers throughout West Germany.

### U.S. Jails 13 Said to Plot Against Haiti

NEW ORLEANS (AP) — Thirteen men have been arrested in an alleged conspiracy to overthrow the Haitian government, U.S. Attorney John Volz announced Thursday.

He said the arrests climaxed an investigation in which an undercover customs agent noted as a military asset and agreed to provide weapons and a training site for 150 men on an island in the Mississippi River.

Mr. Volz said the plot had no connection to an aborted 1981 scheme to invade the island of Dominica, which was broken up in the same manner and in the same general area.

### Two Killed in Sikh-Hindu Violence

NEW DELHI (Reuters) — Two people were killed Thursday in continuing violence between Sikhs and Hindus in the northwest Indian state of Punjab and government officials said they expected more trouble when the Sikhs' political party, the Akali Dal, begins a new civil disobedience campaign Sunday.

In the northern Himalayan state of Jammu and Kashmir, one person was killed and 50 injured Thursday as Moslem students fought police. The demonstrators were protesting the recent Hindu-Muslim riots in the Bombay area.

Police said the death toll in 12 days of rioting around Bombay had risen to 258 as victims died of injuries, mostly shot wounds.

### Israeli Court Puts Off Sentencing Decision

JERUSALEM (Reuters) — A Jerusalem district court postponed a decision Thursday over whether to continue detaining 24 Jewish settlers charged with membership in an anti-Arab underground network until the end of legal proceedings against them.

The 24 have been in jail since their arrest last month in connection with attacks on Palestinians over the past four years. The court said it would make its decision in 11 days to allow defense attorneys more time to read through thousands of pages of prosecution evidence. The court extended a ban on publication of the suspects' names until then.

### Ring Smuggled Yugoslavs, U.S. Says

CHICAGO (AP) — A smuggling ring that allegedly brought thousands of illegal immigrants from Yugoslavia into the United States has been broken up with the arrest of more than 50 persons, U.S. authorities said Thursday.

It was described as the largest U.S. smuggling operation for aliens from outside the Western Hemisphere ever uncovered. As many as 50 persons believed to be illegal aliens had been arrested by Wednesday and up to 100 more face legal action.

As many as 175 illegal aliens from Yugoslavia, who pay the smugglers up to \$3,000 each, enter the United States through Mexico each month, the announcement said. Most of the Yugoslavs came through a fence at Nogales, Arizona, federal agents said.

### Dozens Injured in Panama Violence

PANAMA CITY (AP) — Dozens of persons were injured when the police stormed the headquarters of Panama's main opposition party to disperse demonstrators protesting the May 6 election of Nicolas Ardito Barletta as president, witnesses said.

The violence coincided with a ceremony Wednesday at the nearby Legislative Palace, where Mr. Barletta, the military-based candidate, was officially designated president-elect. He is to take office Oct. 11.

More than 100 persons were arrested at the headquarters of the Democratic Opposition Alliance. However, all but 20 were released by Wednesday night, witnesses said. But spokesmen for Panama's police and military said no more than about 35 persons were arrested and that all but a few were released almost immediately. Security force officials declined comment on how many people were injured.

The violence erupted when a handful of demonstrators burned a government vehicle about a block from the headquarters.

### U.S. May Ban Smoking on Flights

WASHINGTON (AP) — The Civil Aeronautics Board, reversing a decision made two months ago, tentatively agreed Thursday to ban smoking on all commercial airline flights of less than two hours, a ruling affecting 85 percent to 90 percent of all domestic U.S. flights.

A final vote was scheduled for June 14, with three of the five board members indicating they favor the ban, which has been strongly opposed by the airline industry.

The CAB has been debating the smoking issue for more than a decade, and has rejected a prohibition of smoking on jetliners at least four other times. Last year, the board proposed a ban on cigarette smoking on short flights, but then backed off and decided to prohibit smoking only on planes of fewer than 30 seats.

### Debate on Cabinet Opens in Lebanon

BEIRUT (WP) — Artillery duels and rocket exchanges broke out at sunset Thursday, but a brief parliamentary session went smoothly earlier in the day when Prime Minister Rashid Karami of Lebanon opened discussion on his new cabinet of national unity.

Mr. Karami said this "last chance" cabinet could end the Israeli occupation, restore peace and institute changes that would strike a balance between Moslem and Christian representation.

The unicameral legislature is expected to grant the nine-member cabinet its vote of confidence, although the last two days of preparations have been marred by kidnappings among rival Christian and Moslem groups.

### Habré Would Resign to Bring Peace

PARIS (AP) — President Hissène Habré of Chad said in an interview broadcast Wednesday that he was prepared to resign if convinced that this could end the war in his country.

French television said the interview was taped two days earlier in Chad's capital, N'Djamena. Mr. Habré said he was not opposed to "any perspective, any occasion and any road" to restore peace.

Former President Goukouni Oueddei, who leads Libyan-backed rebel forces that occupy the northern half of Chad, has offered to renounce his claim to power in favor of an unspecified "third man" if it could end the conflict.

### For the Record

British ferries across the Channel were halted Thursday, the second day of a 48-hour strike called by the National Union of Seamen. French and Belgian ships were still operating. The strike is in protest over the government's plan to sell British Rail's share in the Sealink ferry by the end of next month. (Reuters)

A member of the Helsinki Watch group in the Ukraine, Oleksa Tyshlyi, has died in a Soviet prison camp from stomach cancer, the Roman Catholic news agency, Kathpress, said Wednesday in Vienna. Mr. Tyshlyi was imprisoned in 1977 for co-founding a group to monitor human rights abuses in the Ukraine. (UPI)

President Raúl Alfonsín's government proposed legislation Wednesday that would result in the release of about two-thirds of Argentina's 82 political prisoners. The bill was presented on the 25th day of a hunger strike by 33 political prisoners in Buenos Aires. (Reuters)

A major underground nuclear test, carrying the explosive force of 20,000 to 150,000 tons of TNT, was carried out Thursday at the Nevada Test Site, officials said. (AP)

Konstantin U. Chernenko, the Soviet president, met Thursday with Vice President Rifaat al-Assad of Syria, head of a delegation visiting the Soviet Union this week. Test news agency said. No details were reported on the meeting, held on the final day of the Syrian visit. (AP)

Willy Brandt, the former West German chancellor, called Thursday in Beijing for a formal agreement between the superpowers to halt the deployment of nuclear missiles in Europe, including Soviet SS-20s. The chairman of the opposition Social Democratic Party was invited here by the Chinese Communist Party. (AP)

A federal appeals court in Chicago has overturned a 1982 jury award of \$18 million against United Airlines for age discrimination against 112 pilots and flight engineers. It said Wednesday that United was entitled to a new trial because the judge gave erroneous instructions to the jury. (AP)

A gunman killed Manuel Blandin, 54, a leading Mexican political columnist who wrote articles denouncing official corruption and crime. Mexico City police said Wednesday. (UPI)

## Polish Mother Denounces Court Over Son's Murder

Compiled by Our Staff From Dispatches

WARSAW — The mother of Grzegorz Przemyski, a Polish student who died of a beating after being detained by the police, alleged Thursday that evidence had been rigged to protect two policemen who are among six persons being tried in the case.

Barbara Sadowska, whose 18-year-old son died May 12, 1983, two days after he was detained, said in a written statement Thursday, the first day of the trial, that she was withdrawing from the case as an additional plaintiff.

"A simple case with obvious evidence has been turned into a monstrous case by cunning alterations, exaggerations and cover-ups — in short, by manipulation," Mrs. Sadowska said. The judge permitted her to withdraw.

The prosecutor read an indictment accusing two policemen and two ambulance attendants of savagely beating her son, and two physicians of ignoring the youth's obvious injuries. The three judges on the panel then adjourned the case until Monday.

"The entire country knows that policemen beat people at police stations," Mrs. Sadowska said in a written statement presented in court which the judge declined to read aloud. "[But] the authorities say, 'Prove it' — as if they didn't know that people fear revenge, or accusations of slander in trials where the judges always believe policemen."

A state prosecutor in turn accused the mother of trying to portray her son's death as part of an official vendetta against the banned Solidarity union movement. The youth's death rapidly be-

came a symbol of what many Poles felt was a lack of official concern about police brutality and misconduct, coupled with the government's hostility toward Solidarity. Tens of thousands of people attended Mr. Przemyski's funeral.

Mrs. Sadowska, who is a Solidarity supporter and was herself injured in a mysterious attack by plainclothes policemen two weeks before her son's death, said government officials ignored or disregarded testimony implicating the police and "did everything humanly possible to annihilate the facts."

Meanwhile, Lech Walesa and 40 members of Solidarity's former national commission said Thursday that they would abstain from voting in next month's local elections but stopped short of calling for a general boycott.

The leaders of the banned union sent a letter to the state election board rejecting the view that the balloting, the first nationwide elections in four years, would improve dialogue between Poles and their rulers.

The letter, made available to Western reporters Thursday, said: "The elections condone the present state of affairs, which features the use of oppressive laws, police brutality, jailing people for their political views and departure from the principle of pluralism in trade unions."

The 41 signers included the former Solidarity spokesman, Janusz Onyszkiewicz, and two leading regional activists, Antoni Tokarczuk and Antoni Pietkiewicz. Most of them were detained for some time when martial law was imposed in December 1981.

(Reuters, UPI, AP)



FAREWELL IN LISBON — Prime Minister Pieter W. Botha of South Africa was seen off by Prime Minister Mário Soares and his wife Thursday as he ended his visit to Portugal. He flew to Geneva on the second leg of his seven-nation tour of Europe.

## Nuclear Arsenals Are Growing, Study Says

The Associated Press

LONDON — A new study says it should be assumed that India, South Africa and Israel have small nuclear arsenals and that 11 other countries have the potential to test and produce such weapons before the turn of the century.

The study, published Thursday, was made by Dr. Paul Rogers, a senior lecturer in peace studies at Bradford University.

Mr. Rogers said that of the three small arsenals, it should be assumed that Israel's is the most sophisticated.

Other countries that could test and produce nuclear weapons between now and the turn of the century were listed as Pakistan, Argentina, Brazil, Egypt, Taiwan, Iraq, Iran, Libya, South Korea, Nigeria and Chile.

Only the United States, the Soviet Union, Britain, France and China are officially known to produce nuclear weapons. India, Israel and South Africa have either denied the reports that they have nuclear weapons or left them unconfirmed.

The study says that there is a consensus that Israel has had nuclear weapons or a production ca-

capacity since at least the early 1970s and that its arsenal exceeds 30 weapons.

Mr. Rogers said his information came from research institutes, technical journals and personal contacts with government officials.

The report said that a new race was in progress between the two nuclear superpowers. U.S. strategic warhead numbers were listed as 10,726, including 1,500 deployed in the last two years. Soviet warhead strength was given as 8,087, but the report said Soviet systems tended to be larger and more destructive.

Mr. Rogers said he was chairman of the Soviet National Olympic Committee, accompanied by Mr. Samaranich to the airport, but made no comment.

Primo Nebiolo of Italy, the president of the Summer Olympics Sports Federations, denied that the venue of the 1988 games might be changed to avoid further boycott problems.

Mr. Nebiolo also said that while the Soviet Union and its allies were organizing a series of important sports events for this summer, these could not be considered parallel Olympics.

Despite the boycott, Peter V. Ueberroth, president of the Los Angeles Olympic Organizing Committee, said on Tuesday that a record 131 countries had announced their intention to participate in the games.

Several hundred students came out to watch and mingle. Jeff McBride, 14, an eighth-grader, had brought a welder's helmet to school with him, having been warned that blindness could result from looking at the eclipse. "This is the day," he said with anticipation.

When it was over, the Canadians broke out a case of champagne they had brought and celebrated their good luck in getting such a good celestial show.

## Chasing a Rare Eclipse of the Sun — 'Oh, Extraordinary'

By Lee Dembart

Los Angeles Times Service

CLEVELAND, North Carolina — A busload of amateur astronomers from the Royal Astronomical Society of Canada chased the sun for 250 miles (404 kilometers) before arriving in the ball field of a rural North Carolina school, where, under clear skies, they watched and photographed an unusual annular eclipse of the sun.

At the height of the eclipse on Wednesday, when the moon moved in front of the sun and a "diamond necklace" appeared for a few seconds in the sky, the Canadians jumped up and down, whooped and hollered and threw their arms around each other as an eerie twilight momentarily fell and street lights went on.

"I see Venus!" shouted Michael Watson,

31, a lawyer from Toronto, who organized the bus excursion to see the last major eclipse of this century visible in the United States. "It's fantastic!"

"I see coronal!" said Randy Attwood, referring to the sun's halo. "Oh, fabulous! Oh, extraordinary!" He is a computer programmer and president of the Toronto branch of the astronomical society.

Although it was nearly 12:30 P.M., the temperature dropped suddenly and a cold wind swept the field. No stars came out, but the planet Venus was clearly visible just to the right of the eclipsed sun.

Unlike the more common total eclipses, an annular eclipse occurs when the moon is farther from the Earth than normal, making it seem smaller in the sky and unable to cover the sun completely. A small ring of the sun remains visible.

The day had started badly for the 45 Canadians, who paid \$175 each for the trip. They left Toronto Monday night and drove straight through to Petersburg, Virginia, where they had expected to view the eclipse. It was to be visible along a narrow northeasterly line from Louisiana to Virginia, passing directly over Petersburg.

But it rained all day and night Tuesday, and it was still raining when the Canadians awoke Wednesday. They decided to head southwest in search of clear skies.

"We were pretty grim, and we decided we had better beat the road and head west because there was no way we were going to see anything in Petersburg," said Scott Ramsay, 20, an astronomy student at the University of Toronto.

Mr. Watson ordered everybody back on the bus and headed for Cleveland, 50 miles

away, where he knew there was a school virtually under the center line of the eclipse.

An hour later, the bus and the cars rolled into the yard of the West Rowan Junior High School, where the principal, George C. Knox, told the group they were welcome to set up their equipment.

Several hundred students came out to watch and mingle. Jeff McBride, 14, an eighth-grader, had brought a welder's helmet to school with him, having been warned that blindness could result from looking at the eclipse. "This is the day," he said with anticipation.

When it was over, the Canadians broke out a case of champagne they had brought and celebrated their good luck in getting such a good celestial show.

## Irish Deploy Security Forces for Reagan's Visit

The Associated Press

DUBLIN — Workers were asked to tear down anti-Reagan posters in Dublin, and the Irish Army's anti-terrorist Rangers unit has been deployed to places President Ronald Reagan will tour during his four-day visit, security sources said.

The sources said the Rangers will concentrate on Ballyporeen, the County Tipperary village where Mr. Reagan's great-grandfather was born.

The troops, dressed in civilian clothes, will work with U.S. Secret Service agents to protect the president and his wife Nancy when they visit the village Sunday. About 40,000 people are expected to go to the farming village over the weekend.

The Rangers' main mission is combating Irish Republican Army guerrillas, the sources said.

The sources said Swedish-made RBS-70 anti-aircraft missiles would be set up in key locations to guard against an air attack. The sources, who declined to be identified, said the laser-guided missiles probably will be placed near Leinster House, the seat of government; at U.S. Ambassador Robert Kane's residence, where Mr. Reagan will stay in Dublin; and at Ashford Castle, the resort north of Galway where Mr. Reagan will stay for two nights.

Security officials have canceled all leave for the 11,400-member Garda Siochana, the national police, during Mr. Reagan's visit. Regular army units will be on standby in areas Mr. Reagan will tour, and U.S. agents have taken control of security at Dublin and Shannon airports.

Dublin's City Council Wednesday

## Pidgin Grows in Cameroon

(Continued from Page 1)

ing to the 1983 study. But pidgin is not only a tongue of trade.

"Pidgin was my first language," said Roger Forth, an education adviser for the Cameroonian government. "My parents were from different tribes and we lived in a part of the country where neither of their languages was spoken. So pidgin was what we used at home."

Mr. Forth, 36, has since learned both his parents' languages as well as French and English.

Proponents of pidgin can be found in many parts of West Africa. In Nigeria, there are play-

wrights and journalists who write in pidgin, missionaries who use pidgin for sermons and Mass and books of pidgin folktales and proverbs.

Julius Wamey, a journalism student, said, "If we're genuinely interested in mass communications, then pidgin is the language we should be using because pidgin is the language of the masses."

Convincing the authorities of the wisdom of that view may not be easy. But as the pidgin proverb has it, "No wok we i big pas man," which is translated, "There is no task so great that a man can't accomplish it."

day ordered workers to tear down protest posters from walls and billboards, some of which said "Reagan — Killer."

The anti-Reagan campaign has been led by Roman Catholic Church groups and leftist organizations, who oppose Mr. Reagan's policies in Central America, the Third World and regarding nuclear weapons.

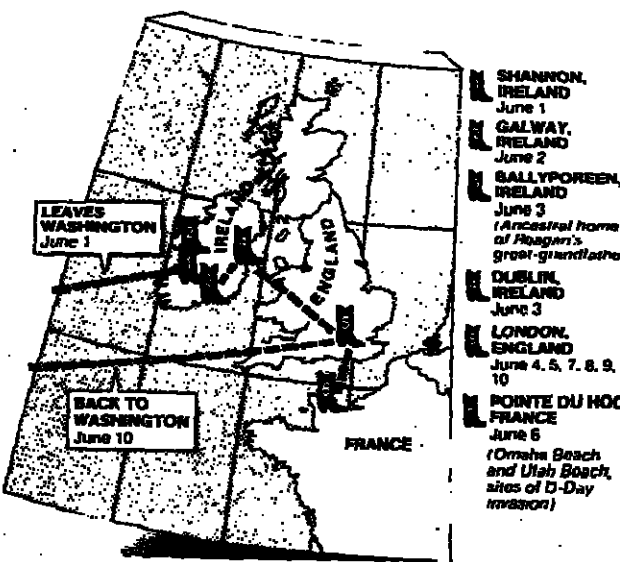
Among the protesters is Gerry Adams, president of Sinn Féin, the political arm of the IRA, which is fighting to unite Ireland. Mr. Adams, campaigning in Tipperary with Sinn Féin candidates in the June 17 European Parliament elections, called Mr. Reagan's visit "an insult to the people of Central America... and a violation of the principle of Irish neutrality."

■ 'Unarmed' Summit Security. Britain is insisting that foreign security men will not be allowed to carry guns while protecting their leaders at the seven-nation economic summit in London next week, Reuters reported from London.

"No foreign security police will be armed. It's the law of the land," said Bob Innes, the deputy assistant commissioner in charge of security for the summit, June 7-9. He said personal bodyguards would not be exceptions. He also said it was unlikely that foreign security officers would be searched for arms.

Mr. Innes said Britain was responsible for the safety of all seven leaders attending the summit, therefore only British police and security men would be armed.

## REAGAN'S TRIP



President Ronald Reagan begins his European trip in Ireland, then goes to England before and after the summit meeting and to France for the 40th anniversary of D-Day.

## Italian Priest Is Flogged in Sudan Under New Islamic Laws on Alcohol

United Press International

KHARTOUM, Sudan — An Italian Roman Catholic clergyman was stripped and flogged in public after being convicted for possessing a bottle of whiskey, 16 bottles of wine and a case of beer, the Sudan News agency said Thursday.

The clergyman, identified as Brother Joseph Manara, was the first foreigner known to be punished since Islamic law, or sharia, was introduced by President Gaafar Nimeiri last September.

The news agency said Brother Manara, 39, the procurator of the Sudan Bishops' Conference, was sentenced to 25 lashes, 30 days in jail and a fine of \$300 by an Islamic court on Wednesday. The flogging took place minutes after the sentence was announced.

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# Herald Tribune

Published With The New York Times and The Washington Post

## Three Interlocked Issues

Why, you ask, should the American president and his six colleagues from the other industrial powers continue to bother with those annual summit meetings? The last two produced mainly bad temper and recriminations. Have they not become a ritual of world promises to do great things for the world economy, followed by epidemic amnesia?

The answer is yes, and early indications for this year's summit meeting, to be held in London next week, are that none of the seven experienced politicians is going to arrive with any very high hopes for large achievements. There but still the exercise is worth the trouble. It is one of the few occasions on which these seven people are compelled to confer on the state of the world's economic affairs — and it is their seven countries that dominate and guide these affairs. Only the people at the top of these seven governments can take the issues away from the specialists and make the decisions among them that policy requires.

There are three urgent subjects with which this London meeting ought to deal. It probably will not do much with them, but here they are:

First, there is the gigantic debt of the less rich countries, about half of it concentrated in Latin America. European and Japanese banks are deeply involved in this lending, as are U.S. banks, and governments in Western Europe and Japan have a responsibility to work with

the United States to stabilize this structure. Avoiding defaults abroad and tremors in banking systems at home cannot be left to chance and the markets, especially now that markets are pushing up interest rates and carrying the debtors' burdens upward. That reality should, ideally, bring the conversation in London to the second point: the budget deficits, most notorious in the United States but common to most of the industrial countries, that are responsible for this rise in the rates. How are the debtors going to pay this year's interest when they couldn't pay last year's?

They can pay debt service, after all, only to the extent that they can export to the industrial countries — above all, to the seven that will be represented in London. Those seven countries are not doing much of a job of holding their markets open to goods from the Third World. They cannot expect to be paid unless they allow the debtors to earn money by selling to them, and that requires reversing the present pattern of increasing protectionism.

The three points, then, are all connected. To attack any one successfully will require addressing all three. The seven leaders who will gather in London do not seem to be preparing to do much in that regard. But whether they like it or not, the real agenda for this meeting is inescapably debt, deficits and protectionism.

— THE WASHINGTON POST.

## Who Humiliates Poland?

In Communist tyrannies, laws are harsh for all, but not for the state. For a bald example, consider a remarkable article in Poland's party paper, *Trybuna Ludu*, assailing four lawyers for taking their job too seriously. They have been accused of trying too hard to acquit political defendants, for forgetting that Polish justice serves society and its "highest organizational function, the state." To make the lesson plain, that high organizational function has been crudely trampled on by the lawyers.

Maciej Bednarkiewicz is known in Warsaw courts for trying to hold the military regime accountable to Polish law. One client was the mother of a 19-year-old son whose death while in police custody ignited a protest march by 20,000 people. The lawyer also represented a church whose sanctuary was violated by a police raid. He was one of a team defending 11 Solidarity leaders who have been detained for two years without trial or charges.

Mr. Bednarkiewicz is a practicing Catholic in his mid-40s. He lived in a home cluttered with books with his wife, Ewa, an art historian, and 12-year-old son. He was arrested there in January, charged with sheltering a deserter from the special riot police, the ZOMO.

He is alleged to have offered the deserter

money to steal a police transmitter. A man pretending desertion had indeed visited Mr. Bednarkiewicz, who suspected a trap and sent him packing. Later the security police played the lawyer a tape recording in which the alleged deserter testified to a bribe attempt. So clumsy was this frame-up that the lawyer laughed, and dismissed it in conversation with colleagues as a dumb stunt. But on the strength of this bogus evidence the lawyer was jailed, while his cases for the dead youth and the defiled church were dismissed.

The reason for this persecution is plain. Mr. Bednarkiewicz is one of 30 or 40 lawyers who have defended the thousands of Poles mistreated by martial law since 1981. The more plausible their legal challenge, the more rattled the regime. In the words of Wladyslaw Sila-Nowicki, another eminent Polish lawyer and a hero of the Warsaw resistance, "It is immoral that the authorities place themselves above the law, the same laws that they have passed."

Now Mr. Sila-Nowicki faces prosecution under a law providing up to eight years in jail for anyone who "publicly insults, rails against or humiliates the Polish nation." It is not legal in modern Poland to invoke the law.

— THE NEW YORK TIMES.

## Other Opinion

### Tehran Challenges the Saudis

The Iranians need to be given a rebuff. The opportunity has arisen with their sinking of Kuwaiti and Saudi ships. It is for the Saudis and their Gulf friends to seize it.

It is time for the Saudis, especially, to put their muscle where their mouth is. For years they have been buying off all Arab sundries — including Iran's friends the Syrians, Palestinians of many a hue, almost every sort of Lebanese — in the hope of keeping out of the world's troubles. The cumbersome royal consensus in Riyadh has expected love and courage from the Americans, but when the Saudis have taken risks and goofed, the Saudis have often been the first to turn their backs. Now is their moment to show that they have the courage of their convictions.

— The Economist (London).

### A Good Report for U.S. Editors

"Overall, editors, we like your newspapers." That was the good news for the American press in a national readership survey, "Relating to Readers in the '80s," released this month by the American Society of Newspaper Editors. The report, written by Ruth Clark, head of Clark, Martine & Bartolomeo, Inc., found a substantial improvement in reader approval from a similar study done in 1978.

"In 1984," the report said, "people depend on their newspapers for facts that they think they must have. Much more than in the late 70s, they appear to be looking beyond their personal and immediate concerns to the realities of the increasingly complex world. The years of recession, inflation and unemployment, along with a growing awareness of the danger of nuclear war, have transformed what used to be a narrowly self-involved audience into a far more sophisticated, cosmopolitan group." Readers generally feel "there is really

no substitute for a newspaper every day." But while readers feel newspapers are here to stay, despite video competition, and are "one of the best bargains there are these days," they have plenty of suggestions for improvement.

They want hard news — not merely local, but also national and international — and feel they are not always getting all categories. They want more news about "business, consumerism, health and health care, the environment, family, children, education. They are not much interested, however, in more personal advice columns, club and organizational news, weddings and engagement reports." Some groups feel left out. "Young people, working women and members of minority groups do not feel that they are receiving enough attention in the newspapers they read. Black readers complain that reporters come around only when there is trouble in the black community."

— Ombudsman Sam Zagoria, writing in *The Washington Post*.

### Why This Poor Salesmanship?

Americans, who are the world's best when it comes to advertising hamburgers and body lotions, are incredibly inept at selling their policies. The Soviet Union gets more propaganda mileage out of its policies than we do.

The current hassle over the Summer Olympic Games, for example, has been reduced to a bit-for-tat standoff. Somehow we have failed to get across the point that we were responding in 1980 to the Soviet invasion of Afghanistan, while they were reacting to a fear of mass defection by their athletes.

Why cannot we get this point across? Why do we fail continually to point out that America's basic problem is stemming the flow of people trying to come here, while Russia's is to keep its own people from leaving? Why is this so if the Soviet Union is a better place to live?

— The Newport (Rhode Island) Daily News.

## The Starting Gun Is Primed For a Race to Control Space

By Flora Lewis

COLORADO SPRINGS — If the United States goes ahead with planned testing and production of anti-satellite weapons — ASATs, in the jargon — this will be the command center for using them. The surprisingly ordinary-looking buildings set deep in the gilded innards of Cheyenne Mountain are no longer just the headquarters of NORAD, the North American Aerospace Defense Command, whose job is to give immediate warning of any incoming attacks. The site also houses the little-known Air Force Space Command, which is not yet two years old but is growing fast. It is soon to have its own headquarters and operations center nearby.

Naturally, Space Command was not a bit pleased with the 238-181 vote by the House of Representatives last week to block ASAT tests for a year provided the Russians continue their two-year abstention from such tests. The purpose of the House action, on a proposal by Representative George Brown of California, was to push for negotiations with Moscow before it is too late to prevent a full-scale arms race in space.

Both advocates and critics of adding space as a fourth dimension of the Soviet-American battle-field recognize that this year is a watershed.

An unusually well-informed debate preceded the vote. The Congressional Record dated May 23, No. 69 Part II, provides the critical arguments on this momentous issue for citizens willing to brave the technical complexities.

The crux of the immediate question is this: The Soviet Union has a satellite-killer, admittedly crude but probably capable of knocking out some American satellites in low orbit. Should the United States go ahead with its superior but not fully tested system so as to be one up, for now? Or, on the contrary, should the United States investigate Soviet offers for talks on dismantling

its weapon and banning all interference with satellites? A treaty would also head off most current ideas for the Star Wars concept of shooting down missiles from space. Some ASAT techniques are crucial to Star Wars plans.

If there are no talks and no agreement, both sides will press ahead. Eventually that will unravel the existing SALT-1 treaty against anti-ballistic missiles and with it any hope for maintaining, let alone advancing, missile arms control.

The sky is already crowded with military satellites. The most important are in very high orbit, far beyond the current reach of either side's ASATs. But those satellites will be endangered if both sides keep going, and they are crucial to verifying arms control, warning of attack and identifying its source, assuring navigation and communications in time of crisis.

Anti-satellite weapons provide no defense for those vital eyes and ears. Satellites are vulnerable, although they can be made better able to survive. They are not weapons, but they can guide Earth-based weapons.

Sponsors of American ASATs want them to destroy Soviet satellites that can target U.S. ships and planes — that is, to attack in time of crisis and to respond to it for the Russians. Critics point out that the United States relies more on its satellites than the Russians do on theirs, and stands to lose more than it could gain in an exchange.

The tragedy comes because tests of American ASATs, scheduled this fall, are easily verified. But it will be practically impossible to verify whether one test is completed and production started. It is a case of whether to lock the barn doors or let the horses stampede.

President Reagan's science adviser, George Keyworth, has said, "We do not want any negoti-



ations for a couple of years or more, in order to get our programs going full blast." That is the underlying argument, as lengthy talks with many people involved have shown.

The questions of ASAT advocates are revealing. Do you believe the Russians will stand by any treaty? Control of space will dominate force on Earth, so shouldn't we try to get there first? Why should space be different from land, sea and air, where we have to enforce our position?

In turn, the resulting questions are disturbing. If it is impossible to agree on mutual restraints, can the arms race ever be curbed? Is it possible to "control space," and how long would such control last before it brought a leapfrog return? Would such a challenge subvert the Russians or drive them to furious tests?

The vote in the House of Representatives is not law. The Senate has yet to act. Even though a leaky defense against nuclear missiles is probably a generation away, if it can be achieved at all, the decisive choice between launching a race for control of space or blocking U.S.-Soviet confrontation on the "high frontier" is at hand.

The New York Times.

## Developed and Developing: Their Interests Mesh

By John W. Sewell

WASHINGTON — The costs of the last four years of recession in the countries of the developing world have reached far beyond those poor nations, taking a significant toll in the United States. Continued slow growth in the Third World will be a strong drag on growth in the industrialized countries. The developed and less developed countries have a considerable interest in working together to halt and reverse these trends.

The developing countries will not be represented at the annual economic summit conference in London next week, but their presence will loom large in discussions of two major topics — the need to revitalize the world trading system, and the specter of financial collapse caused by many developing countries' inability or unwillingness to repay their debts.

Measures promoting an integrated and open world economy deserve U.S. support in London, not only because the developing countries desperately need access to Western markets and investment capital, but also because growth in the Third World can make a significant contribution toward sustained American recovery.

In the 1970s, many countries in both the developed and the developing world benefited from the rapid growth of an increasingly integrated global economy. The oil exporters obtained rewarding havens for their newfound wealth; banks and creditors made profitable loans; many developing countries grew rapidly; the industrial countries benefited from greater demand for their exports, as well as from lower-priced consumer goods imported from the less developed countries.

As early as 1970, however, the costs of mismanagement began to show. Oil price increases rekindled inflation in the industrial countries, raising prices throughout the world. The industrialized countries tried to fight inflation by restraining aggregate demand. Economic activity declined, protectionist sentiment increased and developing countries' exports dropped sharply. Meanwhile, interest rates rose sky-high and growth in most less developed countries declined precipitously.

Slower growth, higher debt-service payments and an appreciating dollar caused a decline in demand in the less developed countries. American exports to developing countries fell \$13.2 billion from 1980 to 1983, costing the United States more than half

a million export-related jobs.

Meanwhile, as the developing countries' growth stagnated, overseas investment became less attractive, and American income from direct investment in those countries fell by \$10.4 billion between 1980 and 1983.

Latin America's economic problems were particularly burdensome for the United States, and American losses would have been considerably greater had it not been for the relatively strong performance of the Asian and Pacific developing countries. But troubles are looming even there: In the early 1980s, American exports to Asia and the Pacific declined in several industries.

American industries that experienced the fastest growth in the 1970s have suffered the largest declines over the past three years. For example, U.S. exports of machinery and

capital goods to Latin America declined by 57 percent between 1981 and 1983. Many less developed countries have had to scale back their plans for industrialization, which means that they import fewer capital goods from the United States.

American bank profits have remained high despite the recession, thanks largely to expanded lending to developing countries. But the future for bank profits is not as bright as the recent past. While the developing countries' debt has continued to increase, new lending has not. This slower inflow of new capital not only stymies the developing countries' economic recovery — and hence their ability to trade — but also endangers their willingness and ability to meet existing obligations.

If current trends continue, the developing countries will almost cer-

tainly be unable to resume the brisk growth of the 1970s. This will mean that exports to the Third World will remain modest. Investments in developing countries will languish along with their economies. U.S. banks will continue to be threatened by the debt crisis in the developing world.

As the London summit strives to find common ground, President Reagan could help to promote a truly global economic recovery by proposing to limit interest rates and encouraging more public and private financing for debtor countries.

In the longer run, faster action on a new round of trade liberalization is essential. We must remember that the developed world now depends to a growing degree on the developing countries for its own prosperity.

The writer, president of the Overseas Development Council, contributed this article to *The New York Times*.

## East and West: Partners in Europe?

By Henry Owen

VIENNA — On a hill in northeastern Austria, near the little town of Hainburg, one can look into three countries. Across the Danube is Bratislava, the capital of Slovakia that slopes gently toward the Czech heartland. Down the Danube to the east, shimmering in the distance, lies the Hungarian plain. In the foreground is the Marchfeld, the swampy ground through which the Danube winds upstream to Vienna and on which Austria has fought some of her greatest battles.

It is hard to see an Iron Curtain from this hilltop. The unity between Eastern and Western Europe is a geographic fact for these lands linked by the Danube. It is a historic fact: many of them lived for centuries under Hapsburg rule. It is an economic fact, as their trade with each other and with other countries in Western and Eastern Europe continues to expand.

The same unity is evident in Germany, as contacts between the Federal Republic and the Democratic Republic multiply. Even Franz-Josef Strauss finds it politically profitable to seek closer ties between "two states that make up the German nation."

Not only in East Berlin but also in Warsaw, Prague, Budapest and Belgrade, the architecture, music, religion, literature, clothing styles and culture come from the West. The people feel close to Paris, London, Berlin, Vienna — not Moscow.

In all of these respects, talk of a division between Eastern and Western Europe seems wide of the mark. Nevertheless, those who have tried to ignore this division, by promoting political debate between Eastern and Western Europe, as at Helsinki and Madrid, have usually failed. This political stalemate will continue until internal changes in the Soviet Union, which cannot now be foreseen, alter its rulers' view of the costs and benefits of dominating Eastern Europe.

The unity between Eastern and Western Europe is more evident in the economic field. If you doubt this, talk to the growing number of Western bankers and businessmen who use Vienna as their headquarters in dealings with the East.

The debt defaults and reschedulings of Poland and Romania have made them more cautious and realistic. But trade and joint ventures between Eastern and Western Europe continue, and are still being financed. Indeed, the credit ratings of East Germany and Hungary have improved, even as those of some other East European countries have declined. Unless the principle of com-

parative advantage has lost its meaning, this trade means improved economic prospects for the countries that take part in it.

These growing economic links among East and West European countries are neither a prelude nor a barrier to political change; nor are they likely to affect the East-West military balance. The East European governments will not indulge political change because trade grows or because it might be cut off; and they do not depend significantly on external trade for their military technology, despite episodic public debate in the West which suggests otherwise.

Within the limits set by the inefficient and sometimes anarchic economic policies of some East European governments, trade between them and the West will continue to grow. In so doing it will provide tangible benefits for both Western and Eastern economies. Equally important, it will symbolize the unity of Europe, which can now only be expressed in economic terms but which will eventually regain a wider meaning.

The writer, a former U.S. ambassador at large, is a senior fellow at the Brookings Institution and a member of the Council on International Group, Inc. He contributed this comment to the *International Herald Tribune*.

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## We Think They Think We Think . . .

By Ellen Goodman

BOSTON — For most of 1984 I have been engaged in foreign policy. It began, as these things often do, with simple curiosity. Here I was, a citizen of one of the two countries that might actually finish off civilization, and I knew little about the other one. I wanted to see and write about the Soviet Union.

It is not possible for an American journalist to call up a travel agent, book a trip to Moscow and wander around the streets interviewing people. So, around January, I started the process of gathering permission slips for a journey.

Over the next months I studied the language with an engaging tutor, and the bureaucracy with a pleasant Soviet official in Washington. From both men I learned the word *zafra*, which translates into Spanish as *matanza*.

The trip I had originally tried to schedule for March was rescheduled with "no problem" for June. Now, after innumerable calls, it has been postponed "indefinitely." Explained my contact: "There are so many journalists who want to go at this time, we cannot make for you such a wonderful trip right now."

Here we get into the foreign policy part of the story. From my thoroughly trivial report, I got a sense of how indirectly the U.S. and the U.S.S.R. deal with each other. I also learned something about the nature of negotiating in a time of mistrust.

After my "yet for now," I immediately discounted the official ex-

planation. So I was left to figure Soviet motivations without any help from the Soviets. Was my budding trip nipped by the big chair? Was it something I said? Wrote? Am I something? Or was it just their way?

If this all begins to sound like the ranting of a person who has been stood up by a date, I hasten to say that this is how we conduct foreign policy these days: by international analysis. We don't say what we mean or what we really want. Instead, each country tries to psyche out and out-psyche the other. To the best interpreter go the spoils.

The Soviets withdrew from the Games, claiming personal danger. We rejected that notion and came up with our own. It was, we figured, all for Jimmy Carter's tat. It was fear of defections in Los Angeles. It was plain obduracy. In the absence of plain talk, each side withdrew behind its most paranoid theory.

Then there was the MX fiasco. In May the U.S. House of Representatives passed a compromise bill to fund 15 MX missiles unless there are arms negotiations before next April. The supporters explain it as a "bargaining chip." Sitting near the international relations couch, they say this will get the Soviets back to negotiating. Never mind that American detractors call it insanity on the part of the government, or even

vanity on the part of Representative Les Aspin, who drew up the misguided "compromise." The Soviets must analyze it, simply, as hostile.

In the arms race as well, each side figures the other's behavior. Each then draws up a real defense against its imaginings. Are "they" trying to influence U.S. elections? How can the United States best "show them"? Does Ronald Reagan call the U.S.S.R. an evil empire? How can they best show us? Can we scare them back to the table? Can they scare us into the election booth? How can we avoid making them believe that we are, gasp, weak?

Both countries end up contemplating what we think they think we think they think. Instead of talking to each other, we read their signals and send signals. Afraid of tipping our hand, we then clasp it over our mouths and try to decipher the code of international numbing.

Both countries behave rather like a couple in a bad marriage. They can no longer communicate but can still try to manipulate. Reluctant to use mouths and ears, we try to read minds. It would all be pathetically amusing if the messages that we need to psyche out weren't so bleak.

As for the postponement of my own excursion into foreign terrain, the man in Washington has suggested that we try for January. The last person who was invited to Moscow in January was Napoleon. I'll have to figure out what this means.

Washington Post Writers Group.

## LETTERS TO THE EDITOR

### The Press at Issue

Regarding the opinion column "How Does Vice Reagan Last With Simple Answer" (May 21):

James Reston's high-handed analysis of the American public's disregard for the press — "because they don't really like the complicated facts as they are" — cannot be allowed to slip by unchallenged.

Americans have come to distrust journalists because, like some of the politicians and bureaucrats they cover, they are seen to be self-serving, willing in at least some notable cases to print the most vicious rumor or the vilest calumny to advance their careers. Unlike politicians or bureaucrats, however, they are immune from the sanction of the ballot box. Mr. Reston discredits his own argument by his simplistic reasoning.

MARK GORENFLO, Oxford, England.

### Trade or Appeasement?

In response to the report "U.S. Executives Assail Government Curbs on Trading With Russians" (May 26):

I am a believer in the capitalist system and an investor in American industry. Yet I find it scandalous that American executives are opposed to curbs on selling the Soviets technology that will significantly increase the threat to U.S. national security and that of the whole free world.

I disagree with the assertion by C. William Verity, co-chairman of the U.S.-U.S.S.R. Trade and Economic Council, that "trade is trade" (and the consequences be damned). Clarence J. Brown, deputy secretary of

commerce, is absolutely right that export controls are needed.

The profit motive cannot be the only consideration, no matter in what megafutures it is measured. You cannot divorce the balance of trade from the balance of power. I find the unprincipled stand of Mr. Verity and the executives whose cause he champions symptomatic of tunnel vision verging on treason, and reminiscent of the export activities of the Silicon Valley subsidiaries. And I get a chilling twinge of déjà vu from the luncheon conviviality between David Rockefeller and Communism leaders.

It is a short hop in history back to the German-American Bund, to industrialists at similar luncheons blustering against proposals to cut off trade with Hitler, to politicians like Neville Chamberlain and diplomats like Joseph Kennedy who advocated appeasing the Nazis — all on the eve of World War II.

DMITRI NABOKOV, Zermatt, Switzerland.

### No to Propaganda Games

Regarding "Blame Game: Look Homeward, Angle" (Sports, May 14):

Like those who believed appeasement was the way to deal with Hitler, Thomas Bewell blames President Carter and Reagan for provoking the Russians into quitting the Olympics. The Games have been caught up with politics since 1936, and exploited for propaganda by the Soviet Union since 1932. That is reason enough to drop the Olympics altogether.

I.S. MASON JR., Madrid.

## FROM OUR JUNE 1 PAGES, 75 AND 50 YEARS AGO

### 1909: Veterans Parade in New York

NEW YORK — Beautiful weather favored the celebration of Memorial Day not only in New York but generally throughout the country. It was moderately warm here, and the sky was joyously flecked with clouds until late in the afternoon when Mayor McCellan reviewed a parade in which about fourteen thousand people participated. Though not more than 2,500 were veterans of the Civil War, there were many Grand Army posts. The appearance of the veterans excited demonstrations of sympathy. Some of them were scarcely able to walk, yet refused to admit their inability to parade. Many dropped out from fatigue and some rode in carriages which picked up the worn-out stragglers. Many battle flags of the posts were carried by grandsons of the veterans.

### 1934: U.S. House Passes Silver Act

WASHINGTON — The Silver Purchase Act of 1934, which would make silver one-fourth of the metallic base behind currency and authorize the President to purchase the metal in the domestic and world markets to achieve that ratio, was passed by the House (on May 31) by a vote of 262-67. The measure was sent immediately to the Senate, where its passage is expected next week. Passage in the House came after the Republicans attacked the proposal as opposed to sound-money principles and after they had lost by a vote of 268 to 70 a move to recommit the measure to committee. G.O.P. spokesmen contended that the bill merely was designed to meet the demands of mining, speculative and other groups interested in profiting from silver holdings.

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U.S.-Soviet Relations Unhealthy

# U.S. Reopens Mission In Manchuria, 35 Years After Consul's Ordeal

By Michael Parks  
Los Angeles Times Service

SHENYANG, China — Thirty-five years after the last U.S. consul here was taken prisoner by Chinese Communist troops, accused of espionage and held hostage for more than a year, the United States has reopened its consulate general in Manchuria.

Both U.S. and Chinese officials chose, in speeches Wednesday to mark the establishment of the new consulate in Shenyang, to emphasize the desire of their countries for closer ties, particularly in commerce and technology. They tacitly overlooked the ordeal of Angus I. Ward, the last U.S. consul-general in Mukden, as Shenyang was then called.

J.H. Hall, the new consul-general, said that the United States hoped that its new outpost in industrial Shenyang would open northeast China, one of the country's most important economic regions, to U.S. businessmen.

With a population of more than 90 million and 40 percent of China's heavy industry, Manchuria's provinces of Liaoning, Jilin and Heilongjiang rank just after Beijing, Shanghai and Canton areas in economic importance to the United States.

Shenyang is the site of the third

U.S. consulate general in China, the others being in Shanghai and Canton. Two more are planned, one in Wuhan, an industrial city in central east China, and the other in Chungking, the capital of Szechwan, China's most populous province.

"Now the old consulate is just a footnote to the history of Sino-American relations," one of the new consulate officers said.

The Mukden consulate-general was more than 35 years ago, however, when Mr. Ward and 20 of his staff were being held hostage by Communist troops who had captured the city from the Chinese Nationalists.

President Harry S. Truman asked the Joint Chiefs of Staff to come up with a rescue plan, the State Department tried to mobilize world capitals to demand the diplomats' release and a worried nation fretted over their fate.

To show its anger at the Chinese, Washington ordered its Mukden consulate closed in May 1949, six months after its seizure by the Communists, but Mr. Ward and the others were not freed from confinement until December.

"Imagine how you feel the day after St. Peter lets you in," Mr. Ward said as he sailed for America after his release.



Angus I. Ward

Much more was at stake than just the fate of the American diplomats in Mukden.

The United States, which was seriously considering a request from the new Communist regime for diplomatic recognition, delayed a decision through the critical summer and autumn months of 1949 because of the Mukden crisis.

That provided time for the Chinese Nationalists to muster support in Washington for continued recognition of their government, which had by then retreated to Taiwan.

China and the United States did not resume full diplomatic relations until Jan. 1, 1979. Mr. Ward died in 1969.

# Political Liberalization Follows Taiwan's Economic Growth

Easing of Censorship, Spirited Criticism of Ruling Nationalists Accompany Industrialization

By Steve Lohr  
New York Times Service

TAIPEI — A diplomat who was first posted to Taiwan a decade ago recently remarked on the changes he noticed when he returned last year.

He was struck most of all, he said, by the easing of censorship, especially of opposition magazines, which now regularly carry spirited criticism of the ruling Kuomintang, or Nationalist Party, and its leaders.

"Years ago, those magazines would never have seen the light of day," the diplomat said. "And once the government security forces got hold of them, the people who wrote and published these articles wouldn't be seeing much daylight either."

The jailing has stopped in recent years, though some censorship remains. Antonio Chiang, editor of *The Eighties*, a leading opposition journal, noted that his magazine had been banned by the government 20 times for varying periods in the last three years.

But even Mr. Chiang says, "There is increasing freedom of the press in Taiwan, and political repression is greatly reduced."

Taiwan, whose strong economic growth has made it a model for some developing countries, appears to be undergoing a process of political modernization as well, diplomats and others say. In recent months there have been indications that the pace of Taiwan's political evolution, which has lagged behind its economic development, is quickening.

The loosening of political reins and economic modernization are viewed as interrelated, Taiwan's

rapid economic ascent has given it a per-capita income of roughly \$3,000 and the distinction of being labeled one of East Asia's "new Japans," along with Singapore, Hong Kong and South Korea.

Taiwan is now straining to move into the ranks of the industrialized nations, moving out of cheap-labor industries and into fields such as computers and semiconductors.

The growth has expanded the ranks of the middle class, whose sphere of interest goes well beyond the acquisition of daily necessities. More and more people own cars and houses and travel abroad.

Accordingly, Taiwan's economic achievements are creating a more pluralistic society and the political arena has to adjust to changing circumstances. "The economic progress leads to political progress and modernization," said Chin Sheng-pao, an associate professor at National Chengchi University.

More native Taiwanese, who make up 85 percent of the island's 18.5 million people, are being brought into positions of responsibility in the government — a process known as *Taiwanization* — and democratic freedoms are gradually but steadily increasing. But the top echelons of the Kuomintang are still dominated by former mainlanders who, led by Chiang Kai-shek, went to Taiwan in 1949 and forcibly took over the island after the Communists took control of China.

In February, President Chiang, a Chinese-born native, named Lee Teng-hui, a native Taiwanese, as his vice president for the six-year term that began May 20. He is considered to be the first native Taiwanese to attain such a high office.

"Lee is a symbol of Taiwanization."

selection of Mr. Lee, which surprised many political experts, takes on added significance because Mr. Chiang, the son of Chiang Kai-shek, is 74 years old and his health is failing. He has diabetes, has had two eye operations in the last three years and has trouble walking.

Should Mr. Chiang be unable to complete the six-year term, Mr. Lee would be in line to succeed him. When Mr. Chiang passes from the scene, Taiwan is likely to enter a period of collective leadership, according to analysts, with power shared by the Kuomintang, bureaucrats, the military, security forces and native Taiwanese.

Today, more than 70 percent of the Kuomintang's two million members are native Taiwanese. In elections in December, Kuomintang candidates won 62 of the 71 "supplementary" seats in the national legislature, and most of them were native Taiwanese.

But a majority of the seats in the 371-member legislature are held by lifetime members elected on the mainland in 1947. They nominally claim to represent districts in China.

A report this year by Amnesty International, the human rights organization, noted that Taiwan, alone among Asian nations, had made improvements in the treatment of prisoners.

Opposition politicians estimate the number of political prisoners at fewer than 200, and the number has been dwindling in the last few years.

The opposition contends that the liberalization of Taiwan's political life is proceeding too slowly. But with the gradual passing of the older former mainlanders, the pace will probably pick up.

On international issues, most opposition politicians and the government share common ground. Some opposition figures, generally living abroad, argue that Taiwan should declare its independence, giving up the Kuomintang's longstanding claim that it will one day "regain the mainland." Yet most opposition politicians agree that such a position would be "suicide," as one put it.

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But a genuine independence movement in Taiwan would be something Beijing would not watch idly, people agree. "It would be an invitation for Beijing's army to come across the Taiwan Strait," a foreign diplomat said. "And everyone here recognizes that."

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# China Is Said to Reinforce Vietnam Border

The Associated Press

BANGKOK — China has reinforced its troops, border guards and jet interceptors along the Vietnamese border and early in May dispatched marines to areas near the disputed Spratly Islands, Thailand's highest security official said in an interview published Thursday.

Prasong Soonsiri, secretary-general of the National Security Council, also told the Nation Review, an English-language daily, that guerrilla attacks on Vietnamese positions deep in Cambodia prevented

Hanoi from deploying large ground forces or tanks in this year's offensive against guerrilla bases on the Thai-Cambodian border.

Guerrillas destroyed four million liters (1.06 million gallons) of fuel oil in attacks on provincial capitals, airports, depots, warehouses and logging routes, Mr. Prasong said.

He said Beijing now maintains 400,000 troops on its border with Vietnam and early this month ferried 2,000 marines to the Spratleys. The islands in the South China Sea off the southeastern coast of Vietnam that are believed to contain oil deposits and are claimed by several

countries in the region. Both China and Vietnam maintain armed garrisons there.

Hanoi and Beijing since early April have intensified accusations of armed provocations along their border.

Mr. Prasong said Chinese-Vietnamese border tensions have escalated significantly since Hanoi and Moscow staged a naval exercise in April near the northern Vietnamese port of Haiphong. U.S. intelligence sources in Washington said it was the first Soviet amphibious landing maneuvers on the Vietnamese coast.

# KGB Offering Literary, Film Prizes

New York Times Service

NEW YORK — The KGB, the Soviet Union's secret police, has offered prizes for the best books and movies that deal with its internal security and foreign intelligence activities.

The KGB announced the competition in connection with plans for its 70th anniversary in late 1987.

The announcement was made May 16 in the weekly literary paper *Literaturnyaya Gazeta*.

The paper said the competition was intended to raise the "ideological and artistic level" of books and films describing the work of the agency or its operatives and to attract writers and producers to this theme.

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NYSE Most Actives									
Symbol	Vol.	High	Low	Open	Close	Change	1-Month	3-Month	YTD
IBM	1,234,567	123.45	122.34	123.00	122.80	-0.20	+1.50	+3.20	+5.10
GE	987,654	45.67	45.23	45.50	45.40	-0.10	+0.80	+1.60	+2.40
AT&T	876,543	34.56	34.12	34.30	34.20	-0.10	+0.60	+1.20	+1.80
Amgen	765,432	23.45	23.12	23.30	23.20	-0.10	+0.50	+1.00	+1.50
Amgen	654,321	12.34	12.12	12.20	12.10	-0.10	+0.40	+0.80	+1.20
Amgen	543,210	8.76	8.65	8.70	8.60	-0.10	+0.30	+0.60	+0.90
Amgen	432,109	5.67	5.56	5.60	5.50	-0.10	+0.20	+0.40	+0.60
Amgen	321,098	3.45	3.34	3.40	3.30	-0.10	+0.10	+0.20	+0.30
Amgen	210,987	2.34	2.23	2.30	2.20	-0.10	+0.10	+0.20	+0.30
Amgen	109,876	1.23	1.12	1.20	1.10	-0.10	+0.10	+0.20	+0.30

Dow Jones Averages									
Index	Open	High	Low	Close	Change	1-Month	3-Month	YTD	Vol.
Ind. Ave.	1,000.00	1,005.00	995.00	1,002.00	+2.00	+1.50	+3.20	+5.10	1,234,567
Comp. Ind.	2,000.00	2,010.00	1,990.00	2,005.00	+5.00	+4.00	+8.00	+12.00	2,345,678
Transp.	3,000.00	3,020.00	2,980.00	3,010.00	+10.00	+8.00	+16.00	+24.00	3,456,789
Finance	4,000.00	4,030.00	3,970.00	4,020.00	+15.00	+12.00	+24.00	+36.00	4,567,890
NYSE	5,000.00	5,050.00	4,950.00	5,040.00	+20.00	+16.00	+32.00	+48.00	5,678,901

NYSE Index									
Index	Open	High	Low	Close	Change	1-Month	3-Month	YTD	Vol.
Ind. Ave.	1,000.00	1,005.00	995.00	1,002.00	+2.00	+1.50	+3.20	+5.10	1,234,567
Comp. Ind.	2,000.00	2,010.00	1,990.00	2,005.00	+5.00	+4.00	+8.00	+12.00	2,345,678
Transp.	3,000.00	3,020.00	2,980.00	3,010.00	+10.00	+8.00	+16.00	+24.00	3,456,789
Finance	4,000.00	4,030.00	3,970.00	4,020.00	+15.00	+12.00	+24.00	+36.00	4,567,890
NYSE	5,000.00	5,050.00	4,950.00	5,040.00	+20.00	+16.00	+32.00	+48.00	5,678,901

NYSE Closing									
Index	Open	High	Low	Close	Change	1-Month	3-Month	YTD	Vol.
Ind. Ave.	1,000.00	1,005.00	995.00	1,002.00	+2.00	+1.50	+3.20	+5.10	1,234,567
Comp. Ind.	2,000.00	2,010.00	1,990.00	2,005.00	+5.00	+4.00	+8.00	+12.00	2,345,678
Transp.	3,000.00	3,020.00	2,980.00	3,010.00	+10.00	+8.00	+16.00	+24.00	3,456,789
Finance	4,000.00	4,030.00	3,970.00	4,020.00	+15.00	+12.00	+24.00	+36.00	4,567,890
NYSE	5,000.00	5,050.00	4,950.00	5,040.00	+20.00	+16.00	+32.00	+48.00	5,678,901

AMEX Diaries									
Index	Open	High	Low	Close	Change	1-Month	3-Month	YTD	Vol.
Ind. Ave.	1,000.00	1,005.00	995.00	1,002.00	+2.00	+1.50	+3.20	+5.10	1,234,567
Comp. Ind.	2,000.00	2,010.00	1,990.00	2,005.00	+5.00	+4.00	+8.00	+12.00	2,345,678
Transp.	3,000.00	3,020.00	2,980.00	3,010.00	+10.00	+8.00	+16.00	+24.00	3,456,789
Finance	4,000.00	4,030.00	3,970.00	4,020.00	+15.00	+12.00	+24.00	+36.00	4,567,890
NYSE	5,000.00	5,050.00	4,950.00	5,040.00	+20.00	+16.00	+32.00	+48.00	5,678,901

NASDAQ Index									
Index	Open	High	Low	Close	Change	1-Month	3-Month	YTD	Vol.
Ind. Ave.	1,000.00	1,005.00	995.00	1,002.00	+2.00	+1.50	+3.20	+5.10	1,234,567
Comp. Ind.	2,000.00	2,010.00	1,990.00	2,005.00	+5.00	+4.00	+8.00	+12.00	2,345,678
Transp.	3,000.00	3,020.00	2,980.00	3,010.00	+10.00	+8.00	+16.00	+24.00	3,456,789
Finance	4,000.00	4,030.00	3,970.00	4,020.00	+15.00	+12.00	+24.00	+36.00	4,567,890
NYSE	5,000.00	5,050.00	4,950.00	5,040.00	+20.00	+16.00	+32.00	+48.00	5,678,901

AMEX Most Actives									
Symbol	Vol.	High	Low	Open	Close	Change	1-Month	3-Month	YTD
IBM	1,234,567	123.45	122.34	123.00	122.80	-0.20	+1.50	+3.20	+5.10
GE	987,654	45.67	45.23	45.50	45.40	-0.10	+0.80	+1.60	+2.40
AT&T	876,543	34.56	34.12	34.30	34.20	-0.10	+0.60	+1.20	+1.80
Amgen	765,432	23.45	23.12	23.30	23.20	-0.10	+0.50	+1.00	+1.50
Amgen	654,321	12.34	12.12	12.20	12.10	-0.10	+0.40	+0.80	+1.20
Amgen	543,210	8.76	8.65	8.70	8.60	-0.10	+0.30	+0.60	+0.90
Amgen	432,109	5.67	5.56	5.60	5.50	-0.10	+0.20	+0.40	+0.60
Amgen	321,098	3.45	3.34	3.40	3.30	-0.10	+0.10	+0.20	+0.30
Amgen	210,987	2.34	2.23	2.30	2.20	-0.10	+0.10	+0.20	+0.30
Amgen	109,876	1.23	1.12	1.20	1.10	-0.10	+0.10	+0.20	+0.30

NYSE Most Actives									
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GE	987,654	45.67	45.23	45.50	45.40	-0.10	+0.80	+1.60	+2.40
AT&T	876,543	34.56	34.12	34.30	34.20	-0.10	+0.60	+1.20	+1.80
Amgen	765,432	23.45	23.12	23.30	23.20	-0.10	+0.50	+1.00	+1.50
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## Dow Edges Higher; M-1 Climbs

**NEW YORK** — Prices on the New York Stock Exchange struggled to a small gain Thursday, maintaining its stand at the 1,000 level in the Dow Jones industrial average. Retailing issues showed some response to strong May sales figures, but bank issues were weak.

The Dow Jones industrial average rose 2.26 to 1,002.00. Volume on the New York Stock Exchange slowed to 81.89 million shares from 105.66 million Wednesday. On Wednesday the Dow Jones industrial average, down about 12 at 2 p.m. and up about 12 at 3 p.m., closed with a 1.35 gain.

After the market closed, the Federal Reserve reported that the basic measure of the U.S. money supply, M-1, rose \$3.3 billion ended May 21. The increase was broadly in line with expectations.

Some buying interest was attributed to reports that Iran was inclined to sell oil below prevailing market prices, because of problems and high costs involved in shipping oil through the Gulf war zone.

But brokers also said traders were encouraged by the fact that the market has rallied each time the Dow Jones industrial average has dipped below 1,000 lately. They said that gave rise to hopes that the market had found a "support level" after its long decline since last winter.

In the retailing group, K mart gained 1 to 29 1/4; J.C. Penney 1/4 to 50 1/4; Associated Dry Goods 1/4 to 47; and Federated Department Stores 1/4 to 45 1/4. Sears Roebuck, however, slipped 1/4 to 30 1/4.

Continental Illinois was the biggest loser in the banking sector, falling 1 1/4 to 54. Analysts

said pessimism has apparently mounted about how shareholders' interests will fare in the ultimate resolution of the company's recent problems.

Some other banks lost ground amid new rumors of a possible default by Argentina on its debts, though the government announced after the market's close that it was renewing a bridging loan made to Buenos Aires. Manufacturers Hanover fell 1 1/4 to 26 1/4; Chemical New York 1 to 24 1/4; Chase Manhattan 1/4 to 39 1/4; and BankAmerica 1/4 to 16 1/4.

Revlon climbed 1 1/4 to 37 1/4. The company said a group of investors was seeking to make a bid to acquire it through a leveraged buyout — a kind of transaction in which the assets of a business are typically used as collateral to help finance its purchase.

Phibro-Salomon rose 1 1/4 to 24 1/4. The company said it had decided against selling some of its commodity trading business to a group of managers and employees in that business.

## British Stocks Extend Decline

Share prices on the London Stock Exchange on Thursday extended Wednesday's fall. The Financial Times 30-share index was down 17.1 points near Thursday's close but recovered to finish off 6.5 points at 796.9 — below the 800 barrier for the first time since Feb. 7 and far off its high of 922.8 earlier this month, Reuters reported.

A lower opening on Wall Street and continuing concerns over a rise in interest rates, over the stability of the U.S. banking system and the British miners' strike outweighed Thursday morning's technical rally, dealers said.

## 400% PROFITS

Reading "old" market letters can be as embarrassing as perusing attic-scented love letters. A few years ago, a prestigious magazine published a list of 90 stocks that gurus collectively predicted would post "the greatest earnings gain" for the year. Their number one bet, the equity carressed by analysts as having the "most potential," was WICKES, which had earned 50 cents a share in 1980. The sages stated that WICKES would earn \$2.90 a share in 1981. What did WICKES finally earn? In 1981, WICKES lost \$15 a share, filing for bankruptcy. The stock buckled from \$40 to under \$4.

Why belabor a point? For years, C.G.R. has emphasized the dichotomy that exists between earnings, earning projections, and the price of an equity. The Keys to the fiscal Kingdom lie in deciphering the "Power Elite." For stocks, like Hollywood starlets, are "made," not born; both require a "Sponsor." Since 1981, approximately 80% of the equities recommended by C.G.R. have advanced; some "special situations" escalated 400%. Our success is based upon the allegiance to the "law of contrary reason"; the refusal to follow prevailing opinion. When "high-tech" stocks were lighting the Street, we castigated the "group," advising readers to "short" APPLE, COLECO, COMMODORE and TANDY, when Wall Street was rhapsodizing over the Quartet. At the time, APPLE was \$56, COLECO around \$57, COMMODORE \$52, and TANDY \$54. Current Prices? APPLE \$30, COLECO \$15, COMMODORE \$30, TANDY \$29. A maverick can be lonely. In 1982, while the market was being mauled with the Dow under 800, C.G.R. defied the Street, commenting... "THE DJI WILL TOUCH 1,000 BEFORE HITTING 750."

Now that the DJI has dropped from the 1290 level, the Street is bearish; a "Street" that is historically errant in their prophecies. Sharp sell-offs enable Power Elitists to accumulate equities at wholesale prices, replenishing their inventories, orchestrating events, changing the moods of the masses as a prelude to distributing shares at retail prices.

Our current letter reviews shares that may be under massive, informed accumulation; in addition, we focus upon two low priced stocks with the potential to spiral to prominence.

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Phone: \_\_\_\_\_

NYSE Most Actives									
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IBM	1,234,567	123.45	122.34	123.00	122.80	-0.20	+1.50	+3.20	+5.10
GE	987,654	45.67	45.23	45.50	45.40	-0.10	+0.80	+1.60	+2.40
AT&T	876,543	34.56	34.12	34.30	34.20	-0.10	+0.60	+1.20	+1.80
Amgen	765,432	23.45	23.12	23.30	23.20	-0.10	+0.50	+1.00	+1.50
Amgen	654,321	12.34	12.12	12.20	12.10	-0.10	+0.40	+0.80	+1.20
Amgen	543,210	8.76	8.65	8.70	8.60	-0.10	+0.30	+0.60	+0.90
Amgen	432,109	5.67	5.56	5.60	5.50	-0.10	+0.20	+0.40	+0.60
Amgen	321,098	3.45	3.34	3.40	3.30	-0.10	+0.10	+0.20	+0.30
Amgen	210,987	2.34	2.23	2.30	2.20	-0.10	+0.10	+0.20	+0.30
Amgen	109,876	1.23	1.12	1.20	1.10	-0.10	+0.10	+0.20	+0.30

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Symbol	Vol.	High	Low	Open	Close	Change	1-Month	3-Month	YTD
IBM	1,234,567	123.45	122.34	123.00	122.80	-0.20	+1.50	+3.20	+5.10
GE	987,654	45.67	45.23	45.50	45.40	-0.10	+0.80	+1.60	+2.40
AT&T	876,543	34.56	34.12	34.30	34.20	-0.10	+0.60	+1.20	+1.80
Amgen	765,432	23.45	23.12	23.30	23.20	-0.10	+0.50	+1.00	+1.50
Amgen	654,321	12.34	12.12	12.20	12.10	-0.10	+0.40	+0.80	+1.20
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Amgen	432,109	5.67	5.56	5.60	5.50	-0.10	+0.20	+0.40	+0.60
Amgen	321,098	3.45	3.34	3.40	3.30	-0.10	+0.10	+0.20	+0.30
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NYSE Most Actives									
Symbol	Vol.	High	Low	Open	Close	Change	1-Month	3-Month	YTD
IBM	1,234,567	123.45	122.34	123.00	122.80	-0.20	+1.50	+3.20	+5.10
GE	987,654	45.67	45.23	45.50	45.40	-0.10	+0.80	+1.20	+2.50
MSFT	876,543	78.90	78.12	78.50	78.30	-0.20	+2.10	+4.50	+7.80
GOOG	765,432	234.56	233.45	234.00	233.80	-0.20	+3.50	+6.80	+10.20
AMZN	654,321	156.78	155.67	156.20	156.00	-0.20	+2.80	+5.10	+8.40
APPL	543,210	123.45	122.34	123.00	122.80	-0.20	+1.80	+3.50	+6.20
DIS	432,109	87.65	86.54	87.00	86.80	-0.20	+1.20	+2.50	+4.80
WMT	321,098	65.43	64.32	65.00	64.80	-0.20	+0.90	+1.80	+3.70
PG	210,987	54.32	53.21	54.00	53.80	-0.20	+0.70	+1.50	+3.20
BA	109,876	43.21	42.10	43.00	42.80	-0.20	+0.60	+1.20	+2.80
CO	98,765	32.10	31.09	32.00	31.80	-0.20	+0.50	+1.00	+2.50
CVX	87,654	21.09	20.08	21.00	20.80	-0.20	+0.40	+0.90	+2.20
MRK	76,543	10.98	10.87	10.90	10.80	-0.10	+0.30	+0.70	+1.80
LLY	65,432	9.87	9.76	9.80	9.70	-0.10	+0.20	+0.60	+1.50
UNH	54,321	8.76	8.65	8.70	8.60	-0.10	+0.20	+0.50	+1.40
ORCL	43,210	7.65	7.54	7.60	7.50	-0.10	+0.20	+0.50	+1.30
CRM	32,109	6.54	6.43	6.50	6.40	-0.10	+0.20	+0.50	+1.20
ADBE	21,098	5.43	5.32	5.40	5.30	-0.10	+0.20	+0.50	+1.10
QCOM	10,987	4.32	4.21	4.30	4.20	-0.10	+0.20	+0.50	+1.00
TXN	9,876	3.21	3.10	3.20	3.10	-0.10	+0.20	+0.50	+0.90
INTC	8,765	2.10	2.09	2.10	2.09	-0.01	+0.20	+0.50	+0.80
AMD	7,654	1.09	1.08	1.09	1.08	-0.01	+0.20	+0.50	+0.70
AVGO	6,543	0.98	0.97	0.98	0.97	-0.01	+0.20	+0.50	+0.60
TXI	5,432	0.87	0.86	0.87	0.86	-0.01	+0.20	+0.50	+0.50
PLD	4,321	0.76	0.75	0.76	0.75	-0.01	+0.20	+0.50	+0.40
SPG	3,210	0.65	0.64	0.65	0.64	-0.01	+0.20	+0.50	+0.30
UPS	2,109	0.54	0.53	0.54	0.53	-0.01	+0.20	+0.50	+0.20
RTX	1,098	0.43	0.42	0.43	0.42	-0.01	+0.20	+0.50	+0.10
CSX	987	0.32	0.31	0.32	0.31	-0.01	+0.20	+0.50	+0.00
AKAM	876	0.21	0.20	0.21	0.20	-0.01	+0.20	+0.50	+0.00
NET	765	0.10	0.09	0.10	0.09	-0.01	+0.20	+0.50	+0.00
EA	654	0.09	0.08	0.09	0.08	-0.01	+0.20	+0.50	+0.00
EA	543	0.08	0.07	0.08	0.07	-0.01	+0.20	+0.50	+0.00
EA	432	0.07	0.06	0.07	0.06	-0.01	+0.20	+0.50	+0.00
EA	321	0.06	0.05	0.06	0.05	-0.01	+0.20	+0.50	+0.00
EA	210	0.05	0.04	0.05	0.04	-0.01	+0.20	+0.50	+0.00
EA	109	0.04	0.03	0.04	0.03	-0.01	+0.20	+0.50	+0.00
EA	98	0.03	0.02	0.03	0.02	-0.01	+0.20	+0.50	+0.00
EA	87	0.02	0.01	0.02	0.01	-0.01	+0.20	+0.50	+0.00
EA	76	0.01	0.00	0.01	0.00	-0.01	+0.20	+0.50	+0.00
EA	65	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	54	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	43	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	32	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	21	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	10	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	9	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	8	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	7	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	6	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	5	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	4	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	3	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	2	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	1	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00
EA	0	0.00	0.00	0.00	0.00	-0.01	+0.20	+0.50	+0.00



June 1, 1984

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## Michael Frayn: On the Cutting Edge of Laughter

LONDON — "One of the most difficult things in writing comedy is moving between laughter and something more painful than laughter," Michael Frayn, author of comic articles, novels and plays, says. His new play, "Benefactors," which opened in London this spring, definitely moves on to something more painful than laughter but still elicits untimely giggles from audiences expecting a ripping farce on the order of Frayn's "Noises Off," which included sticking doors, falling trousers and a lot of business with sardines.

"Benefactors" is a comedy about the changes in outlook of two young, progressive English couples from 1968 to today: a comedy

## MARY BLUME

but not a rib-tickler. "When I first saw it, the audiences were laughing more than I wanted," Frayn said. During rehearsals he alarmed the cast by expressing the hope that they would get no laughs at all. He was, in part, joking.

This weekend Frayn goes to New York where "Noises Off" has won four Tony nominations. He will go to the award ceremonies with Tom Stoppard (seven nominations for "The Real Thing"), with whom he has several things in common: both started as journalists and have written plays about journalists; both are fascinated by philosophy, both have done translations (Frayn has translated "The Cherry Orchard" and "Three Sisters" as well as the latest Anouilh, which is currently on in London and will be on Broadway next season, probably with James Mason), and both write comic plots of mathematical symmetry. But while Stoppard dazzles with his brilliance, Frayn is a quieter talent. He is tall, very softspoken, liberal and concerned in the manner of the two newspapers he used to write humorous columns for, The Guardian and The Observer.

"Benefactors" takes place mostly around the stripped pine kitchen table where an idealistic architect out to rebuild a Southeast London slum and his intelligent, helpful wife live. The other couple is what everyone helpful needs — people to help. Within the framework of 15 years of rethinking the building project, which reflects 15 years of liberal and social attitudes, the couples act on each other as affectionate predators. By the end, all and nothing has changed: The slum and the couples will be rehabilitated rather than remade, help is still offered and taken.

"Benefactors," Frayn said over morning coffee at Fortnum and Mason, has had some dusty reviews. "Some critics saw it as an attempt to satirize the middle classes, which was not my intention. I think everyone's had second thoughts about the redevelopment of society and the possibility of helping people. Helping people is elusive, sometimes it makes things worse. And it is a hard role to be helped."

The architect who is out to remodel society — something that seemed quite possible 15 years ago — has been taken by some architects as an attack on the profession. Frayn, who is fascinated by

the process of construction and was part of a cooperative building scheme in the '60s, sees the architect as a symbol.

"The architect reflects the expectations and demise of the society he lives in. In this country architects have become lightning conductors of what we did, of those changes we now regard with revulsion." Frayn's view toward change is squarely in the middle. "People often think everything can be done, others think nothing can be done. I think somewhere in the middle is the truth about our relations with each other."

Frayn, 50, was reared in a London suburb and attended Cambridge, where he wrote for the celebrated Footlights Revue, learned Russian and argued about philosophy. Some years after Cambridge, Frayn, on a lecture tour for the British Council, ran into his old philosophy teacher in New Zealand and they had three happy days of philosophical debate. "His great skill was keeping me in the argument," Frayn says. In 1974, after he was established as a prize-winning humorous novelist, he published a book of philosophy influenced by Wittgenstein and called "Constructions."

"No one wanted to publish it. Then no one wanted to read it. Reviewers didn't much like it," he says.

After Cambridge, Frayn worked for The Manchester Guardian when it was still published in Manchester. "Each year they took one graduate for a six months' trial. The wonderful thing is you didn't get any training — you either learned or you didn't."

Frayn learned. He wrote about the launching of Sputnik from the Manchester point of view and attended demonstrations of a new Telex machine, in a Manchester library, which was to show its prowess by communicating with Moscow. Frayn's article consisted solely of reprinting the zany and incomprehensible discourse between the two machines.

The next step was clearly to become a humorous columnist in the vein of a North London Russell Baker. One of his novels, "Sweet Dreams," recently hit Anthony Burgess's list of the top 99 novels. Frayn thinks that "Sweet Dreams" is probably technically his best, though he prefers one about journalism with the oddity of a title, "Toward the End of Morning."

"It was called 'Against Entropy' in America. No one can remember that either."

He is now working on a rewrite of a play called "Balmoral" and renamed "Liberty Hall." It supposes that the Revolution occurred not in Russia in 1917 but in Britain and that Balmoral Castle has been turned into a home for seedy writers. It is visited by a smart-aleck journalist from the Russian capitalist press who is writing a mocking series about Britain.

Impressively prolific (he recently broke down and bought an electric typewriter), Frayn has also written fine television documentaries about such cities as Jerusalem, Vienna and Berlin. The Berlin film, which has been described as exceptional, reflects his feeling for structure, his main interest in the city being that so much of it is cut off or destroyed.

"Berlin in a way is the most intriguing city in the world. You look at it and say how did it get like this — you must reconstruct it as it was. It's an immensely visually engaging city because you are drawn into trying to find the answers. I imagine when it was an imperial city it was very ugly and didn't engage the imagination."

Television was the bridge between the novel and the play. "What is difficult in a play is to discover what you need to say and what you don't need. When you are used to writing for the page, you tend to be overexplicit."

"What a play is, is pure energy. A play only works insofar as it is a continuous burn of energy, sometimes in a quiet, oblique form. For this you have to have more ideas than in a novel at the start, more concentration. I am not claiming for a moment to have achieved this," he adds.

Translating Chekhov, Frayn says, was a great education. "What I learned from the late plays is something that surprised me — they're very closely plotted in that every line, every syllable is advancing the plot. It's like Racine — in the best of Racine, the thing is plot, plot, plot. Chekhov's energy level is high, despite the fact that the later plays are about lethargy and idleness."

Frayn's next production, which stars Ian McKellen and opens in London in July, is an adaptation of Chekhov's first, untitled play, which Frayn calls "Wild Honey." It has only been done in part, and the original, Frayn says, is six hours long.

"The original is a mess, terrible stuff and wonderful stuff together. It seemed to me it needed to be treated as a rough draft for one of my plays."

Frayn's comedy tends to be good-natured and forgiving. He is for the most part concerned with people who are, like himself, of the liberal left. "If you're going to write satirically, there's a lot to be said for writing about people who are close to oneself, who are like oneself, who are oneself."

"It's better than attacking an enemy. Attacking an enemy arouses a dreadful feeling of solidarity. Solidarity seems so warm but the more you look at it the more dangerous and destructive it is. There's a lot in 'Constructions' about the underside of what seems to be the positive emotions in beneficent activities."

When he was young, Frayn was further to the left and believed that wholesale change could be made to society. Now, as his work shows, he is more dubious.

"I suppose one of the interesting phenomena of the last 30 years has been the rise of the caring professions, the social workers. It's hard to think how society would work without them. But I suspect that social workers are depressed by the limits of what they do and the dependence they generate in their clients. It's one of the awful truths about society that if you do something for someone else, there is less reason for him to do it himself. This is not an argument for doing nothing but it is hard for the left to accept. The right accepts it."



Michael Frayn.

"Benefactors" illustrates this view; so, in its way, does the farce "Noises Off," which Frayn has described as being about the difficulty in keeping one's act going. Frayn does not argue for immobility; what he is saying is that it is impossible to seek change without considering the consequences and that these consequences are not accidental side effects.

He quotes from "Awakenings," a book by Oliver Sachs about the treatment of Parkinson's Disease victims with L-Dopa, a drug with miraculous and then frightful results. "The general conclusion is that there is no silver bullet, no drug that knocks out all symptoms, that there is no such thing as 'side' effects. My feeling is that this is true not only of medicine but of life. Whatever *démarche* we take will have surprising results." It is at this point that laughter and something more painful than laughter naturally meet.

## Short-Range Immortality for Sale

by Wayne King

HOUSTON — All people dream of immortality, but what, thought Corky Anderson, a part-time drummer and sign painter in Estancia, New Mexico, of the ordinary fellow who has no chance at it?

What of the plain Joes and Janes of the world who are neither generals nor movie stars nor captains of industry, those whose scribbled poems are never published, whose great ideas are never patented, whose large and luminous thoughts on the nature of man, or maybe just a good recipe for barbecued spare ribs, are never graven in stone for posterity?

What these people need, Anderson decided not long ago over a beer at the Blue Ribbon Bar with a few friends, is a time capsule. So he and his fellow seers have founded an enterprise, Timewaves Inc., to provide a spot where just plain anybody can have a shot at immortality — or at least another 100 years.

To this end, Anderson and his partners, who include his girlfriend, an Albuquerque lawyer and a local title-insurance agent, have acquired a plot of land in a trailer park along State Road 41 in Estancia, Population 837.

They intend to turn the plot of cracked earth and dry weeds into a repository for those ordinary bits and pieces that illuminate the life

of Everyman — his dog's paw prints, X-rays of an old football injury, whatever strikes the individual fancy. Morrow Hall, one of the partners, suggests that some people might even want to photocopy themselves.

The subscriber then sends the item to Timewaves (Box 632, Estancia, New Mexico 87016), which will copy it onto microfilm and bury the film in a time capsule in the trailer park. Arrangements can also be made to have the objects themselves interred. In 2085, somebody is to dig up the capsule and throw through to the echoes of a century past. The cost for microfilming is \$7 a page.

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## Still Checkmate for the Computer

by Lee Dembart

LOS ANGELES — In 1968, when computer scientists still thought that artificial intelligence was just around the corner, David Levy, a British international chessmaster, wagered \$1,000 that no machine would beat him at chess in the next 10 years.

When that deadline came and went and he was still undefeated, Levy was persuaded to renew the challenge until 1984. Additional backers were found, and a total of \$6,000 was offered to any computer that could beat Levy. Meantime, using the brute force of comput-

ers to examine millions of positions, important advances were being made in computer chess. The development of extremely fast supercomputers aided the work.

Last fall, Cray-Blitz, using the new Cray X-MP, the world's fastest computer, became the world computer chess champion. The stage was set for a match with Levy, the last chance for a computer to defeat him and win the prize.

A four-game match was held in London recently. The result: Human 4, Computer 0. The failure of the best computer chess program to defeat Levy underlines the difficulty in getting machines to think like people. Though the computer examines as many as 10 million

positions — far more than any human chess player can — before deciding on a move, there is something about the way the human analyzes the board that has so far not been captured in a program.

In playing chess, computers tend to make up in speed what they lack in cleverness. The approach has carried them far, but still leaves them unable to defeat the best human chess players.

"During the last few years I had come to believe more and more that it was possible for programs, within a decade, to play very strong

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## From Bordeaux to Paris, a Cyclist Chases After Glory

by Samuel Abt

PARIS — Most of the year, Maurice Le Guilloux thinks only of others: his wife, his two young daughters, his employer, the Vie Claire bicycle team. At work, among the 500 or so professionals who race throughout Europe from February to October, he continues to be a star but in the language of cycling, he is not a star but an *équipier*, literally a teammate but actually a support rider, one of the men who earn their living by sacrificing their ambitions in the service of a leader.

At the lowest level, that of *mental or domestic*, the *équipier* fetches and distributes water bottles and raincoats during a race; when the team manager's car is blocked in traffic the *équipier* will relay instructions to the leader; if the leader has a flat, the *équipier* will give him the wheel from his own bicycle. At a higher level, the *équipier* will be sent after a rival on a breakaway, warning him down with pursuit, increasing the pace for the riders left behind. At the highest level, the *équipier* rides at the side of his leader, helping him set his rhythm, preceding him up hills so that the leader can save strength by riding in the slipstream of the *équipier's* bicycle.

Le Guilloux has done all these tasks, and done them well. At the age of 34 and after 11 years as a professional, he is regarded as a model *équipier*.

"He's a team rider, really fantastic in his loyalty, always doing his job," says Greg Le-mond, the professional world champion and a former teammate of Le Guilloux's. "He's a devoted team rider, and there's never a problem with him," says Bernard Hinault, four times the winner of the Tour de France and a longtime friend and leader to Le Guilloux. "For as long as I can remember, since I've ridden for Bernard I've never started a race with the hope of winning," Le Guilloux says in corroboration.

Sometimes Le Guilloux thinks about how he has never won a major race, how he rarely has the opportunity or strength to shine at the end of the day. "I wanted to do something in front of my public," he said a few years ago after a leg of the Tour de France in his native Brittany, "but I didn't have anything left. I have to do an *équipier's* job, and people don't always understand an *équipier's* job."

When he thinks about this he also realizes that he has become one of the elders of professional racing. How many seasons can he last? He thinks especially about the race he has consistently come closest to winning — the 586-kilometer (363-mile) one-day race from Bordeaux to Paris. Run partly during the night, Bordeaux-Paris is one of the most demanding of all races but he finished fifth in 1978, third in 1981 and second in 1982.

At these times, Le Guilloux, who thinks only of others most of the year, allows himself to think of Le Guilloux.

"It's the one race where I can work for myself," he says. "There's no strategy in Bordeaux-Paris, no tactics. It's simply

each man for himself." He sits back in his chair and appears to enjoy the thought.

Le Guilloux is at his training camp, a hotel in the pine forests west of Bordeaux, just beyond the fields and chateaus of the wine country. In its isolation the hotel is perfect as a bus stop for group tours heading to the Atlantic beaches, for businessmen holding weekend seminars and for a cyclist preparing for an ordeal.

Businesslike, he ticks off the many hours of training he has spent in his week at the hotel before the race last Saturday. "I did 200 kilometers on Monday, 380 on Tuesday, 400 on Thursday and just 60 today," about 12 hours before the race starts, at 2:30 A.M. The training is divided between riding alone and following a motor bicycle; for 358 of its 586 kilometers, Bordeaux-Paris is run behind a motor bicycle, called a *Burdin*.

"It's not only long, but hard, and you go so fast," Le Guilloux says. "Behind the *Burdin* you can reach 65 kilometers an hour and there's no stopping, never. You just concentrate and pedal," he continues, screwing up his face and hunching his back as his hands reach for imaginary handlebars. "Your feet begin to hurt terribly, and it's impossible to relax. You can't look around or breathe deeply for even 50 meters."

"The wind changes constantly and you really get buffeted. A house by the side of the road, some trees, they change the wind. And then there's the traffic, the cars and trucks, that's very dangerous."

"And the tedium gets to you. Even eating is difficult. You're sitting down and you need the kind of food that takes two hours to get from here," he slices at his throat — "to here" — he jabs at his stomach.

"I'll tell you, it's so difficult that all you want to do is win."

"I've spent three months preparing for the race. I've sacrificed so many chances to win small races in Brittany and make some money. The team has spent so much money on me. But if I knew that I would finish third in this Bordeaux-Paris, I'd leave right now and go straight home."

"So why do I want to do it?" he repeats the question. "For the glory. More for the glory than for the sport or the money. What does the winner make? Ten thousand francs" — actually 17,000 francs (about \$2,000).

"It's the last great race," Le Guilloux says. "It's an inhuman race — the distance, the hardship, the danger. People love to watch it. It's the last legendary race and a chance for me to become part of the legend."

Le Guilloux didn't mention it, but he was also seeking revenge. After his second place in the Bordeaux-Paris in 1982, he had no doubt that his team, then Renault Gitanes, would enter him last year. Instead, while he was riding in the Tour of Spain, he learned he had been passed over for a younger rider.

"I have no illusions left," Le Guilloux said then. "This was the chance of my career."

"I have to avoid thinking too much about it because I'm in Spain to help Bernard Hinault



Maurice Le Guilloux.

and I don't have the right to waste my energy. If I give in to the blues, I'd have to believe my career has just ended."

At the end of the season, Le Guilloux joined Hinault in leaving Renault Gitanes and moving to a new team, La Vie Claire. When Hinault called a press conference last October to announce the team, Le Guilloux was present, bursting to talk about another chance at Bordeaux-Paris.

Intensive training began three months ago. Le Guilloux was set back by an attack of nephritis that put him in the hospital for a week in April and took 5 kilograms (11 pounds) off his 6-foot, 75-kilogram frame.

"Despite all this, he's in good shape," says Paul Kéchi, Le Guilloux's trainer with La Vie Claire. Basing his method on "the physiology of the body," Kéchi is a manager of the new school in cycling. Nevertheless, he uses the old-school definition in talking about the Bordeaux-Paris race. "It's a test of perseverance," he says, "a rider knowing his limits and pushing himself right up to that limit."

In final preparation, Le Guilloux will have a late lunch, then a massage and then he will try to nap. "It's difficult to sleep the evening before this race," he says. "I always try but haven't succeeded yet. Instead I pack my

things, concentrate my thoughts and pray for good weather."

He goes in to lunch, sitting with his masseur, his mechanic and Kéchi next to a long table with 20 businessmen discussing that morning's sales seminar and *le marketing*. When his steak arrives, Le Guilloux — just a country boy — stares the businessmen by noisily stropping his knife against his fork.

So much for Le Guilloux's prayers: It is raining hard when the 20 riders gather at 2 A.M. to get ready for the race. Nor has he managed to nap. He is intense as he adjusts his heavy uniform for the nightlong ride in the rain.

A few hundred fans stand in the street, mostly jammed against the windows of the Maison du Vin de Bordeaux with its casual display of great bottles of Pauillac, St. Emilion and Médoc. This is the 81st running of Bordeaux-Paris, which began in 1891 and was interrupted by both world wars and, in 1971-72, by lack of interest. The race was held then in October, at the end of the season, and nobody had the strength to ride all the way to Paris overnight. Once the date was shifted to the late spring it regained popularity.

At 2:30 the riders move out in the ceremonial start and at 3 A.M., at a supermarket outside Bordeaux, they leave officially. Despite the hour there are people waiting to cheer them in nearly every small town along the route, a secondary road that often parallels the Paris-Bordeaux superhighway. Most of the fans stand under umbrellas, a few here at a crossroads, which the police have blocked until the riders pass, a few there outside a cluster of houses or a late-night brasserie. In many villages the only spectators are bakers, standing at the curb in their white uniforms, the open doors behind them showing their ovens.

The pace for the first hour, with the riders bunched in the light of trailing cars, is steady at 36 kilometers. It is cold and wet, and soon Kéchi's car pulls alongside Le Guilloux to pass him food — rice pudding, chicken ("things that are good for him and that he likes," the trainer has explained), bread, cheese ("in a long race you need some fats, not just sugar"), even some baby food ("why not? it's easy to digest"). To wash it down, Le Guilloux has mineral water or tea. As he finishes his snack, a signboard announces that Paris is 313 kilometers away.

Rain is still falling as it begins to turn light at 5:20. The green fields of Chevaux, Barbezieux and Roulet-St. Estèphe roll by, empty. In the village of La Chignole, a farmer stands in his driveway next to two milk cans. By 6:30 the rain stops and by 7:30 the sun is up, and the riders are too hot in their plastic raincoats. One by one, their team cars move alongside and the riders pull off clothes and gloves and pass them to hands reaching out the car windows. The U.N.C.P. team takes advantage of the situation and a hand plants itself in the small of a rider's back to push him along. It is a well-practiced trick and quickly spotted in the main officials' car if not by the judge riding in each team car.

"Stop that, please, the U.N.C.P. car," crackles a message on the radio linking all cars. After a few moments, the hand moves out again and settles on the rider. "This is the last warning," the radio announces. The team car drops back. Small-town France is awake by this time. In Ruffec, just opening for the day, the butcher shops loading his small truck with meat for a nearby market day and goes to call his family; two daughters appear in bathrobes and wave as the cyclists speed by. In the local bar, two men put down their 8 A.M. scotch and soda and come outside to cheer. Villagers give bicycle racing, the only sport they can watch free.

At Vivonne, the riders have a 45-minute rest stop, the only one of the race. Sitting in a manor house converted for the day to a training center, the cyclists change from their bulky night clothing to the shorts and short-sleeved jerseys they will wear the rest of the way. It's yogurt to eat again, and some are content with a yogurt, some with thick sandwiches. Many are rubbing lanolin into the padded crotch of their racing shorts. A long ride lies ahead, and cyclists dread boils. Outside, their bicycles are being washed, to reduce the chance of grit in the chains and brakes, and tightened. Inside, the smell of wintergreen is heavy. Le Guilloux, looking concerned, is massaging his feet as the masseur kneads his thighs.

With Tinazzi now 9 minutes ahead, Le Guilloux begins to move up in a counterattack. He is racing well when, at Malesherbes, 87 kilometers from Paris, his back wheel begins to crumple. In the few minutes before his bicycle can be repaired by the mechanic in his team car, he has lost his chance to catch Tinazzi. "After that," he later says, "I rode without hope."

Near 4:30 P.M., 13 and a half hours after he left Bordeaux, Tinazzi cruises alone into the Paris suburb of Fontenay-sous-Bois, the winner by 4 minutes 27 seconds. Hubert Linard of the Peugeot team is second and Le Guilloux outlasts three rivals for third place. Of the 20 riders who began the race, 16 finish plus Betsy King, the first woman rider, who started in an unofficial category 2 hours before the men and finished an hour behind Tinazzi.

Wan, his face covered with grime, Le Guilloux admits he is disappointed. "It was an easy race," he says, "except for the rain. I thought I had a good chance until the wheel broke."

Does Le Guilloux remember saying before-hand that if he knew he would finish third he would go straight home? Mercifully, nobody asks that question. Instead he is asked if he will be back next year to try again. Looking past his questioner, Maurice Le Guilloux chooses not to reply.



## TRAVEL

## JUNE CALENDAR

## AUSTRIA

VIENNA, Bösendorfer Hall (tel: 65.66.51).  
 RECITALS — June 7: Yanko Sakai piano (Haydn, Mozart).  
 June 15: Harald Osberger piano, Ingrid Rainer harpsichord (Bach).  
 June 19: Markus Wolf violin, Christiane Schmidt-Karajewa piano (Beethoven, Debussy).  
 English Theatre (tel: 42.12.60).  
 THEATRE — Through June: "Sleuth" (Shaffer).  
 MUSICVERSTÄNDNIS (tel: 65.81.90).  
 CONCERTS — June 2: Prague Philharmonic Orchestra and Choir, Václav Neumann conductor (Dvorak).  
 June 10: Vienna Philharmonic Orchestra and Choir, Herbert von Karajan conductor, José Carreras tenor (Verdi).  
 Staatsoper (tel: 53.240).  
 BALLET — June 20, 21, 27: "Swan Lake" (Tchaikovsky).  
 OPERA — June 1, 3, 9: "Il Trovatore" (Verdi).  
 June 2 and 8: "Die Zauberflöte" (Mozart).  
 Volksoper (tel: 53.240).  
 OPERA — June 13, 16, 20, 24: "La Bohème" (Puccini).

## BELGIUM

BRUSSELS, Opéra National (tel: 218.12.11).  
 OPERA — June 16, 19, 21, 24, 26, 29: "Così fan tutte" (Mozart).  
 Palais des Beaux-Arts (tel: 512.50.45).  
 CONCERTS — June 3: National Opera Symphony Orchestra, Michael Schwanhäußer conductor, Ursula Gornik violin (Mozart, Britten, Beethoven).  
 EXHIBITION — To July 1: "Art des Steppes et des Oasis."

## DENMARK

COPENHAGEN, Der Permanente (tel: 12.44.88).  
 EXHIBITION — To June 9: "Modern Czechoslovakian Glass Sculpture."  
 Royal Museum of Fine Arts (tel: 11.21.26).  
 EXHIBITION — To Oct. 21: "Richard Strauss."  
 Twinkl Hall (tel: 15.10.12).  
 Twinkl Symphony Orchestra — June 1: Niels Møller conductor (Prokofiev, Haydn).  
 June 4: John Frandsen conductor (Dvorak).  
 June 8: Alfred Eckardt-Hansen conductor (Telemann).  
 June 14: Ivan Fischer conductor (Mahler, Mendelssohn).

## ENGLAND

LONDON, Barbican Centre (tel: 628.87.95).  
 Barbican Hall — June 9: London Symphony Orchestra, André Previn conductor, Douglas Cummings cello (Elgar).  
 June 10: London Concert Orchestra, Harry Rabichowicz conductor (Gershwin, Copland).  
 June 17: City of London Sinfonia, Malcolm Layfield conductor/violin (Bach, Vivaldi).  
 June 25: "O Day Anniversary Concert" — London Concert Orchestra/Band of the Welsh Guards, Harry Rabichowicz/Major D. Taylor conductors (includes rare archive film of D-Day Landings).  
 June 27: English Chamber Orchestra, Sir Alexander Gibson conductor, Barry Tuckwell horn (Mozart, Prokofiev).  
 Barbican Theatre — Royal Shakespeare Company — June 1, 2, 4, 5, 13, 14, 29, 30: "Measure for Measure" (Shakespeare).  
 British Museum (tel: 636.15.55).  
 EXHIBITIONS — To Aug. 19: "Chinese Ivories from the Shang to the Qing."  
 Coliseum (tel: 240.52.58).  
 London Festival Ballet — June 1 and 2: "Giselle" (Adam).  
 June 5-9: "Swan Lake" (Tchaikovsky).  
 June 12-16: "The Ring Cycle" (Wagner).  
 Royal Opera House (tel: 240.10.66).  
 Royal Opera — June 2, 6, 9, 12, 15, 18, 22: "Aida" (Verdi).  
 June 4: "L'Elisir d'Amore" (Donizetti).  
 Sir Gervase Elwes baritone.  
 June 8, 11, 14, 16: "Tosca" (Puccini).  
 June 24: Anton Dolin International Gala.  
 Tate Gallery (tel: 821.13.13).  
 EXHIBITION — To July 15: "Turner and the Human Figure." To July 9: "Beckmann's 'Carnival' 1920."

## FINLAND

KUOPIO, Festival (tel: 22.02.10).  
 DANCE — June 4 and 5: Finnish National Ballet — "The Ugly Duckling."  
 June 4: Kol Demanema Dance Company, Israel.  
 June 6-9: Györfi Ballet, Hungary.  
 June 7: Dance Theatre Raatikko.  
 June 8: Dance Group Jazz-Point.  
 June 9 and 10: Prague Chamber Ballet.  
 June 10: Dance Theatre Rollo.

## FRANCE

PARIS, American Center (tel: 21.42.20).  
 DANCE — June 5-7: Joelle Ballon-zoli.  
 Bois de Vincennes (tel: 561.03.00).  
 EXHIBITION — June 21-25: "International Roses."  
 Centre Franco-Américain (tel: 263.98.14).  
 MUSICAL — June 4-6, 12-14: "Camille Saint-Saëns" (Verdi).  
 Centre Georges Pompidou (tel: 277.12.33).  
 EXHIBITION — June 28-Sept. 24: "De Kooning."  
 DANCE — June 18-29: Murray Luis Dance Company/La Theatre Choregraphique de Rennes.  
 Jardin Shakespeare (tel: 264.91.49).  
 THEATRE — June 6-24: "Twelfth Night" (Shakespeare).

## NEW MORNING (tel: 523.56.39).

JAZZ — June 15 and 16: Chico Freeman Quartet.  
 June 22 and 23: Dave Holland Quintet.  
 June 25 and 26: Art Blakey and The Jazz Messengers.

## GREECE

ATHENS, Festival (tel: 322.14.59/322.31.11).  
 DANCE — June 19-22: Roland Petit's Marseille National Ballet — "Nore-Dame de Paris" (Hommage à Debussy).  
 JAZZ — June 14: Martial Solal, Josquin Kuhn.  
 Theatre des Champs-Élysées (tel: 723.36.27).  
 CONCERT — June 5: Ensemble Orchestral de Paris, Philippe Entremont conductor/soloist, Philip Bridgman (Mozart, Schubert).  
 Théâtre Musical de Paris (tel: 261.19.83).  
 CONCERTS — June 2: Philharmonia Orchestra, Riccardo Muti conductor (Mozart, Mahler).  
 June 4: Orchestre Philharmonique de France, Krzysztof Penderecki conductor, Konstantin Kulka violin (Penderecki).  
 June 5: Orchestre National de France, Charles Dutoit conductor, Seiji Ozawa conductor (Debussy, Ravel).  
 June 7: Prague Philharmonic Orchestra and Choir, Jiri Belohlavek conductor (Dvorak).  
 Théâtre de la Ville (tel: 274.22.77).  
 DANCE — June 4-9: Paul Taylor Dance Company, U.S.A.  
 June 12-17: Merce Cunningham Dance Company, U.S.A.

## HONG KONG

HONG KONG, City Hall (tel: 526.47.47).  
 CONCERTS — June 1, 2, 22-23: Hong Kong Philharmonic Orchestra.  
 June 14-17, 19-20: Amsterdam Philharmonic Orchestra.  
 RECITALS — June 7: Jeffrey Campbell piano.  
 June 24: Alma Petchersky piano.

## ITALY

FLORENCE, Teatro Comunale (tel: 21.62.23).  
 CONCERTS — June 1 and 2: Orchestre de Paris, Daniel Barenboim conductor (Mozart, Debussy, Berlioz).

## GERMANY

BERLIN, Deutsche Oper (tel: 3438.1).

## OF SPECIAL INTEREST

## OLYMPIC ARTS FESTIVAL

LOS ANGELES — This comprehensive cultural celebration, which runs from June 1 to August 12, includes the following events:  
 CONCERTS — June 11: Guarneri String Quartet (Beethoven).  
 June 18: The Hagen Quartet (Mozart, Schubert).  
 July 24: "Messiah" (Handel), re-creation of 1784 Westminster Abbey performance.  
 July 27: Gala Concert — Los Angeles Philharmonic Orchestra, Michael Tilson Thomas conductor/Los Angeles Master Chorus, Roger Wayne director (Williams, Bernstein, Beethoven).  
 DANCE — June 1-8: Pina Bausch Wuppertaler Tanztheater.  
 June 22 and 23: Royal Winnipeg Ballet.  
 June 26 and 27: London Contemporary Dance Theatre.  
 July 2 and 3: Merce Cunningham Dance Company.  
 June 6 and 7: Korean National Dance Company.  
 July 11 and 12: Groupe Emile Dubois.  
 July 25 and 26: San Francisco Ballet.  
 July 29-Aug. 2: The Joffrey Ballet.  
 Aug. 4 and 5: Twyla Tharp Dance Company.  
 Aug. 7-11: Dance Theater of Harlem.  
 EXHIBITIONS — June 28-Sept. 16: "A Day in the Country: Impressionism and the French Landscape."  
 July 19-Aug. 26: "Bukaku: Treasures from the Kasuga Shrine."  
 JAZZ — July 23: Olympic Jazz Marathon, includes Count Basie, Joe Williams, and the Crusaders.  
 OPERA — July 9-20: Royal Opera of Covent Garden — "Turandot" (Puccini), "Pavane Grise" (Britten), "Die Zauberflöte" (Mozart).  
 THEATRE — Royal Shakespeare Company — June 7-23: "Much Ado About Nothing" (Shakespeare), "Cyrano de Bergerac" (Rostand).  
 June 13-24: Le Théâtre du Soleil — "Richard III" (Shakespeare).  
 June 26-30: Negro Ensemble Company — "A Soldier's Play" (Frazier).  
 June 28-July 1: National Theatre of Greece — "Oedipus Rex" (Sophocles).  
 July 7-22: Piccolo Teatro di Milano — "The Tempest" (Shakespeare), "Harlequin."  
 For further information tel: (213) 741-7777.

## JAPAN

TOYO, Idemitsu Gallery (tel: 213.31.11).  
 EXHIBITION — To June 24: "Ancient Chinese Bronzes."  
 Kabi-Za (tel: 541.31.31).  
 THEATRE — To June 26: Grand Kabuki.  
 Kami Hoken Hall (tel: 465.17.80).  
 CONCERT — June 2: Japan Philharmonic Symphony Orchestra, Ervin Lukacs conductor (Beethoven, Mozart).  
 Sun Plaza Hall (tel: 388.11.51).  
 BALLET — June 2 and 3: "Swan Lake" (Tchaikovsky).

## NETHERLANDS

AMSTERDAM, Concertgebouw (tel: 71.83.49).  
 CONCERTS — June 1 and 2: Amsterdam Philharmonic Orchestra, Paavo Berglund conductor (Beethoven).  
 June 9: Netherlands Chamber Orchestra, Antoni Ros-Morera conductor (Roussel, Haydn).  
 June 22: Orchestre Orchestra, Rolf van Drienen conductor, Ellen van Lier soprano (Mozart).  
 RECITAL — June 3: Maurizio Pollini piano (Schumann, Chopin).  
 EXHIBITIONS — To July 1: "Proclaim the Frame."  
 June 2-Sept. 9: "Jacques Villon."  
 Stadsschouwburg (tel: 24.23.11).  
 BALLET — June 2-4: Netherlands National Ballet.

## NORWAY

BERGEN, International Festival (tel: 32.04.00).  
 CONCERTS — London Royal Philharmonic Orchestra — June 5: Veron Handley conductor, Moray Welsh cello (Tchaikovsky, Elgar, Stravinsky).  
 June 6: Veron Handley conductor, Eva Kancshali piano (Williams, Grieg).  
 DANCE — June 1 and 2: London Contemporary Dance Theatre.  
 RECITALS — June 3: Anne-Sophie Mutter violin, Alexis Weissenberg piano (Brahms).  
 June 3: Oslo String Quartet (Haydn, Schubert, Stravinsky).  
 June 4: Ely Ameling soprano, Rudolf Jensen piano (Schubert, Debussy, Brahms).  
 MIMÉ — June 4: Marcel Marceau.  
 OSLO, National Opera (tel: 42.77.24).  
 BALLET — June 1, 3, 14: "Storstenen" (Nordheim).

## PORTUGAL

LISBON, Clerichous Palace (tel: 76.62.68).  
 EXHIBITIONS — June 14-30: "Fernando Pessoa."  
 June 28-30: "Daniel Gouveia."  
 OPERA — June 22, 24, 27: "La Gioconda" (Ponchielli).  
 S. Luis Theater (tel: 32.71.72).  
 BALLET — June 1 and 2: "Concerto Barocco" (Bach).  
 June 3 and 7: "Dialogues" (Barber).  
 June 8 and 9: "The Green Table" (Cohen).

## SCOTLAND

EDINBURGH, Playhouse (tel: 577.25.90).  
 BALLET — June 11, 12, 13, 15, 16: The Moscow Classical Ballet.  
 Queen's Hall (tel: 228.11.55).  
 CONCERTS — June 8: S. M. M. F. Orchestra (Haydn, Beethoven, Schumann).  
 June 10: Scottish Symphony Orchestra, Neil Manteuffel conductor (Strauss, Schubert, Mozart).  
 JAZZ — June 8: Ian Aitken/Jeff Friesner Quintet and the Robbie Richardson Quartet.  
 June 22: Ness River Rhythm Kings and Swing '84.  
 GELFING, Hunterian Gallery (tel: 339.88.55).  
 EXHIBITION — To Nov. 3: "Whispering Willows."  
 Kelvin Hall (tel: 552.59.61).  
 JAZZ — June 15 and 18: Dave Brubeck.  
 CONCERT — June 26: Scottish National Orchestra — James Loughran conductor (Beethoven).

## SINGAPORE

SINGAPORE, Festival (tel: 337.81.91).  
 DANCE — June 8-10: Les Grands Ballets Canadiens.  
 June 13 and 14: Chinese Legends and Festivals in Dance.  
 June 16 and 17: Thai Classical Dance Troupe.  
 June 20-24: Guangdong Nationalities Song and Dance Troupe.  
 June 21 and 22: Washington Ballet Guest Artists.  
 MME — June 18 and 19: Penta Theatre Holland.  
 THEATRE — June 8-11: "The Oolah World," Chinese drama.  
 June 12-14: San Quentin Drama Workshop — "Waiting For Godot" (Beckett).  
 June 14-16: Black Light Theatre of Prague.  
 RECITAL — June 9 and 10: Fou Ts'ong piano (Chopin).  
 CONCERTS — June 11 and 12: New Concerts of the Singapore Chinese Orchestra, Ku Lap Man conductor (Bazet, Tien).  
 June 15 and 16: Singapore Symphony Orchestra and Chorus, William Zimmerman conductor ("Carmina Burana," Orff).  
 June 17 and 18: Nash Ensemble of London (Beethoven, Schubert).  
 JAZZ — June 23 and 24: Herbie Mann Group.  
 MUSICAL — June 21-24: "Bumboat."  
 EXHIBITIONS — June 10-July 1: "Contemporary American Art."  
 June 10-22: "China De Chien."  
 June 10-July 1: "Singapore Art: 1974-83."

## SPAIN

GRANADA, Festival (tel: 222.50.01).  
 CONCERTS — June 19: English Chamber Orchestra, Charles Mackerras conductor (Mendelssohn, Mozart, Strauss).  
 June 21-23: Concertgebouw Orchestra, Ervin Lukacs conductor (Beethoven, Mozart).  
 June 23-25: Spanish National Orchestra, Jesus Lopez, Cobos conductor (Mozart).  
 RECITAL — June 24: Alexis Weissenberg piano (Satie).  
 MADRID, Fundación Juan March (tel: 29.19.10).  
 EXHIBITION — To June 17: "Marcel Duchamp (1887-1968)."  
 Teatro de la Zarzuela (tel: 429.82.25).  
 OPERA — Through June: "Tosca" (Puccini), "Julius Caesar" (Handel).

## SWEDEN

STOCKHOLM, Concert Hall (tel: 10.40.00).  
 CONCERTS — Stockholm Philharmonic Orchestra — June 7: Mendelsohn conductor (Brahms).  
 June 14: Leonard Slatkin conductor (Smetana).  
 June 15: S. M. M. F. Orchestra conductor (Schubert, Tchaikovsky).  
 National Museum of Art (tel: 24.42.00).  
 EXHIBITION — To June 17: "Richard and Hamilton."

## SWITZERLAND

BASEL, Stadttheater (tel: 22.11.33).  
 OPERA — June 3, 12, 13, 20, 24: "La Clemenza di Tito" (Mozart).  
 June 9, 17, 19, 22: "Simon Boccanegra" (Verdi).  
 BALLET — June 2, 6, 11, 23: "Coppelia" (Delibes).  
 June 16: "La Fille Mal Gardée" (Hérold).  
 GENEVA, Grand Théâtre (tel: 21.21.11).  
 OPERA — June 26: "Alceste" (Gluck).  
 Victoria Hall (tel: 28.81.21).  
 CONCERTS — Orchestre de la Suisse Romande and choir — June 7: Horst Stein conductor (Beethoven).  
 June 15: Jesus Lopez, Cobos conductor, Glensy Lino alto (Falla, Ravel, Saint-Saëns).  
 ZÜRICH, Hallenstadion (tel: 22.12.83).  
 OPERA — June 13, 15, 16, 19, 21, 24: "Boris Godunov" (Mussorgsky).  
 Kunsthause (tel: 257.67.65).  
 EXHIBITION — To July 15: "Kandinsky: 1913-1928."  
 CONCERTS — June 5: University of Michigan Symphony Band.  
 June 22: Philip Jones Brass Ensemble.

## UNITED STATES

NEW YORK, Museum of Natural History (tel: 873.13.00).  
 EXHIBITION — To Sept. 9: "Ancestors: Four Million Years of Humanity."  
 Museum of Modern Art (tel: 708.97.50).  
 EXHIBITION — To Aug. 28: "International Survey of Recent Painting and Sculpture."

## A Taste of Philadelphia — to Go

PHILADELPHIA — Now that he is retired, Harry Pollack travels a lot, but he never completely leaves Philadelphia. When he is visiting his daughter in Detroit or old friends in Florida, he always takes a bit of Philadelphia with him — a container of hoagies, packed in dry ice. That way he knows he can get the real thing, not look-alikes or variants with names like Lancaster, Pennsylvania, area, grinders in New England or poor boys in New Orleans. And, he says, he knows he will be getting the real thing when he buys his hoagies at Beato's.

Philadelphians know they are getting the real thing when the olive oil drips from the hoagie and soaks napkins, when there are peppers, onions, lettuce, tomatoes, Genoa salami, capocollo and provolone enough so that at 4 P.M. they can still taste what they ate at noon.

It's a good bet, they say, that you will be getting the real Philadelphia hoagie, a meal on a roll, when it is served at a lunch counter or in a lunchroom with no more than a dozen tables and when it is served up by someone with a name like Beato or Lannelli.

Beato's is a lunchroom with the requisite number of black table tops in the famous section, northwest of the downtown area. You know you are getting close to Beato's when you pass the towering Greek columns of the Philadelphia Museum of Art and the brooding, gray walls of the long-vacant Eastern State Penitentiary. A block farther north, surrounded by the city's ubiquitous row houses, is Beato's corner door.

George Beato was there the other day, as he has been for 40 years, serving the offering that has won him three Best Hoagie awards in the last seven years from Philadelphia Magazine, the arbiter of the best and worst of nearly everything here.

"I guess they had to pass it around those other years," said Beato as he proudly displayed his three framed citations.

What keeps the awards and the customers coming, Beato figures, is the quality of the bread and just the right mixture of fillings with a skillful sprinkling of oregano.

Pollack has to travel several miles from his home in Chestnut Hill to get his favorite hoagies. There are lots of hoagie counters in between, but, he said, "they are not Beato's."

James Jones, a school principal, was there explaining why he drives halfway across town every day for a Beato hoagie. A day just doesn't seem right without one, he said. "When a hoagie is what you want," he added, "why change?"

The unanimity was unusual for this city, where a question about hoagies can start ardent disagreements in any crowd. A lot of people swear that the best can only be found at Italian lunch counters in South Philadelphia.

If that is true, then a lot of misguided people go to West's Tavern

in Center City, which has been in Arthur West's Anglo-Saxon family for two generations. And some of them are the most ardent of all. Back in 1970, when the magazine arbiters failed even to mention West's among also-runs for the city's best, a patron protested. "The Hoagie of the West," he wrote, "causes us to 'sart with pleasure,' and 'his superior deliciousness has been known to satisfy the need for food for up to two days.'"

It is an article of faith here, though no one can prove it, that hoagies started in South Philadelphia and spread. The most prevalent explanation for the name is that they were the regular lunch fare of Italian-American workers from South Philadelphia in an old shippard at Hog Island in the days before the area became the site of the city's airport. There, according to the tradition, the sandwiches were called hoagies, a word that was eventually corrupted.

There are hoagies who say the first hoagies were made in Chester, about 10 miles (16 kilometers) south of here, but that doesn't bother Antoinette Lannelli.

"I don't know anything about it," she said the other day. "All I know is that I made the first hoagie in Philadelphia." In support of her claim, she has a sign above the door to her South Philadelphia lunch counter and grocery store, right under the name Emil's, reading "home of the original hoagie."

Mrs. Lannelli, a small, brisk woman who will be 73 this month, punctuated her words with vigorous stabs at her cash register, which she has commanded for decades, since Emil, her husband, decided to return to Italy.

About 50 years ago she and Lannelli moved here from Maine, looking for work. Finding none, they opened a fruit stand with a meat case on the side.

One morning, a young police officer came in saying he had had a fight with his wife and she had refused to pack his lunch. He asked Mrs. Lannelli to make him a sandwich.

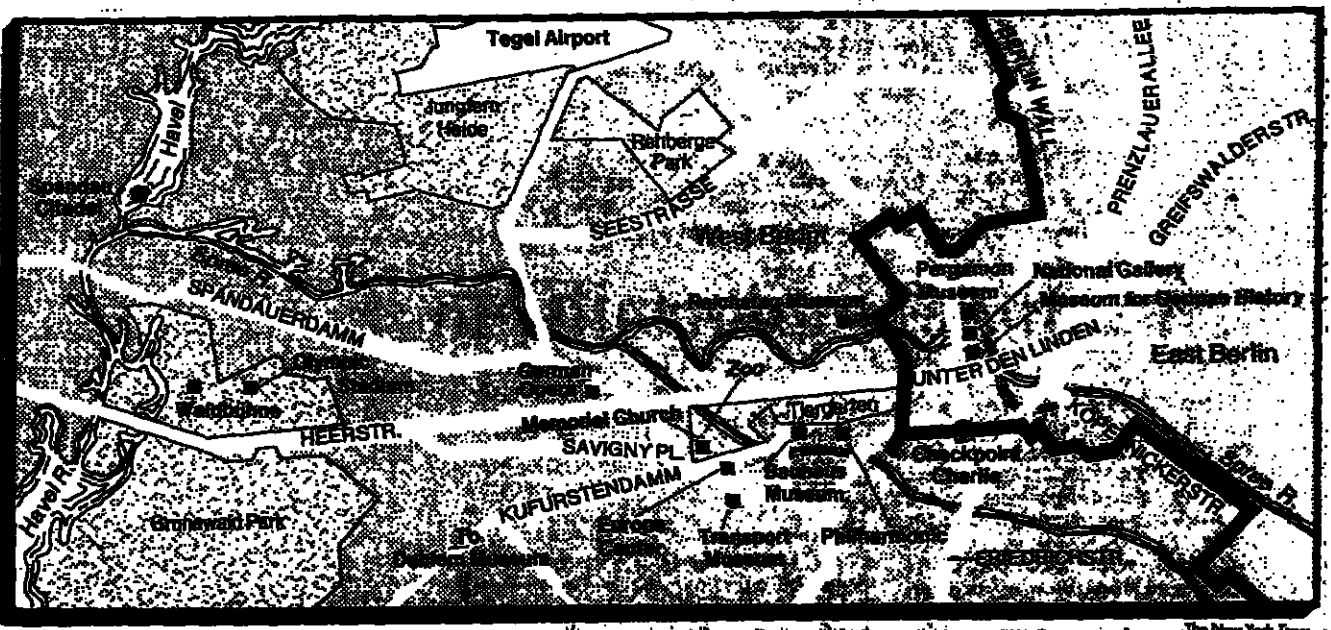
She cut a loaf of Italian bread in half, packed it with meats, olives, onions, lettuce and tomatoes and mixed a sauce to keep it moist.

"Lo and behold," said Mrs. Lannelli, "that was it. The next day that policeman was back saying, 'Antoinette, fix me one of those sandwiches for the captain.' The day after that the whole street was lined with police cars."

Soon, she said, she was sending hoagies all over South Philadelphia, and, when World War II started, out to the shipyard.

Then she offered a mild heresy of her own. The idea did not come from this area at all. "I remembered seeing a sandwich like it made in Maine, by a woman from northern Italy, and she had seen them made over there," she said.

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## What's Doing in Berlin

by James Markham

BERLIN — For a Westerner, it is the absurdity of West Berlin that lies at the heart of its excitement. West Germany's farthest frontier, lying an hour's drive from the Polish frontier, is enveloped geographically by East Germany and militarily by Soviet divisions to over whom it before breakfast. It's hard to get more existential than that.

Legally speaking, West Berlin belongs to no one. It is occupied by the United States, Britain and France but elects its own mayor and sends nonvoting members to West Germany's parliament.

West Berlin is a paradox, a refusal of the past to become the future, a situation that a novelist, not a statesman, would have created. It is an open city surrounded by a wall to keep East Germans out. For me, it is the liveliest city in Europe.

The city is not grippingly beautiful like Vienna or Prague, but during the warmer months the city spills out onto the Kurfürstendamm or Ku-Damm, the big boulevard, at once chic and sleazy, that is its chief artery. A walk down the Ku-Damm past the bomb-blasted, neo-Romanesque Memorial Church, left in ruins to commemorate the bombing that flattened Hitler's capital, leads immediately to the bustling Europa Center — a maze of pubs, cinemas and antique shops, with a skating rink and a swimming pool — and then to the most sumptuous department store on German soil: the KaDeWe. Put there purposely, it would seem, as a monument to capitalism's bonities.

Berlin is West Germany's most informal and socially relaxed city. Its tone is set by a non-student — professors at the Free University, underground film makers and overground rock groups, actors, called writers from East Germany, countercultural protesters and a few politicians. There are also a lot of spies, most of them involved in eavesdropping on the close-by East.

The Ernst Senff Chamber Choir and Agnes Belts, hailed by some as the new Calas. Philharmonic tickets are hard to get, so book well in advance. Good hotel concierges — those at the Kempinski are exemplary — have connections.

The Deutsch-Oper is not at the top of the demanding German league, but it is good. On June 4, 9 and 11, Julia Varady will take the lead in "La Traviata" and Jean-Pierre Ponnelle will produce Beethoven's "Fidelio" on June 17. "Aida" will be staged on June 18 and 21, and "Simon Boccanegra" will have its premiere on June 30.

To keep the liveliness level up even when the traditional houses close for the summer, the cultural authorities have organized a series of surprising events under the title "Berlin Summer Night's Dream." Some of the highlights: On June 30 the Berlin Philharmonic will open the festivities with an outdoor concert in the Waldbühne. On July 7, André Heller will put together a dazzling combination of pyrotechnics and music (the fireworks pieces of Stravinsky and Handel) in the Platz der Republik. On July 8-12, the Deutsch Oper will do Benjamin Britten's "Midsummer Night's Dream" in the Metropolis discotheque on Nollendorf Platz. Aug. 18, 19, 22, 24, 25 and 29 will see what is being billed as the biggest performance of laser lighting and Handel's "Water Music." The event will be held on the beaches of the Wannsee, on the outskirts of the city.

As for art, a Max Beckmann retrospective is on display through July 29 at the National Gallery, Tiergarten, Potsdamerstrasse 50; open Tuesday to Sunday, 9 A.M. to 5 P.M. An exhibit called "Dada in Berlin" will open in the Spandau Citadel on June 24; hours are 10 to 6, Tuesday to Friday. The Brücke Museum, Borsardsteig 9, will have Schmidt-Rottluff watercolors through August; hours are 11 to 5, Monday through Friday (closed Tuesday). From July to mid-August, there will be an Orwell 1984 exhibit at the Neue Berliner Kunstverein, Kurfürstendamm 58, noon to 6:30, Monday and Friday, noon to 8 Tuesday and Thursday.

West Berlin has such an embarrassment of museum riches that it is hard to choose. But the conscientious visitor will want to make a dent in the wonderful Dahleim Museum complex, Amimallee 23-27. Its painting gallery holds masterpieces by Dürer (including the work that appears on the 100-mark note), Holbein the Younger and Cranach the Elder, and other works that run the gamut from Giotto to Titian. From June 8 to Aug. 12, there will be a temporary exhibition of Dutch painting called "From Frans Hals to Vermeer." There is much else in the complex, but my favorites are the small but masterfully displayed Indian, Islamic and Far Eastern collections. Open Tuesday to Sunday, 9 to 5.

Elsewhere in the city, at Trebbinerstrasse 9, the Transport Museum with models of everything that rolls, flies or floats, is great for kids. Open 9 to 6 on Tuesday through Friday, 10 to 6 on weekends.

The Banhaus Museum, at Klingelhofstrasse 13, is a compact monument to Walter Gropius and other architects whose genius was unwelcome to the Nazis. It is open daily, except Tuesday, from 11 to 5. At the old Keschtag building on Paul-Löbe Strasse, one can

wander through the German History Museum, which provides a somewhat more pluralistic view of recent events than does its counterpart in the East. Open 10 to 5, Tuesday through Sunday.

The rather stodgy eating scene has two fancy new entries. One is a smashing success, the other a pretentious disappointment. The first is Ruckendort (tel: 402-3099), a country inn situated somewhat improbably near Tegel Airport at Döberitzstrasse 1, a good 20 minutes from downtown. Specializing in nouvelle cuisine, Ruckendort has particularly good wild duck with green liver sauce and sweetbreads. Count on 136 marks a head. The disappointment is Maltre (Pöbelskallee 31; tel: 832-6004), a new edition of a defunct restaurant of the same name, which does nouvelle cuisine for undiscriminating Düsseldorf businessmen who want to be seen in a name joint. Awful food, with a backdrop of kitschy music. Also in the 136-mark range.

Going to the Communist side is easy and, in the wake of the improvement in ties between the two Germanys, somewhat more agreeable than it was a year ago. East German border guards even make jokes now — although not often.

On foot or by car, cross aboveground at Checkpoint Charlie (at Friedrichstrasse) or take the subway, the U-Bahn, from the Zoo stop in the West to Friedrichstrasse in the East. (You can also take the S-Bahn overhead on the same route). The permit for a day's visit costs about 4.75 marks; you must also change 25 West German marks for the day. You should scrupulously avoid any black-market dealings; East Germany insists that its marks are worth the same as West German marks, although the black market handicaps the Communist currency at 5 to 1. Do not take any East German marks or Western newspapers with you.

The Pergamon Museum, on Bodestraße, has a magnificent collection of Oriental and Greek and Roman antiquities, including the great altar that gives it its name, while the National Gallery, next door, has a good sampling of 19th-century European painting. Both are open Wednesday and Thursday from 9 to 6, and on Friday from 10 to 6.

For German-speakers, a visit to the Museum for German History on Unter den Linden is an exposure to the official viewpoint that the "progressive" forces of the German past have culminated in the creation of the German Democratic Republic; Nazis and other bad guys all have their roots in the capitalist West. The museum is open Monday to Thursday, 9 to 7, Saturday and Sunday, 10 to 5.

East Berlin has fine ballet, opera and, of course, Bertolt Brecht's legendary Berliner Ensemble, dedicated to carrying on that late playwright's work. For tickets, have your hotel concierge telephone to the East Berlin Theaterkasse (212-5258 or 212-5902) at the Palais Hotel on Spandauerstrasse.

For dining in East Berlin: There is a good restaurant, Garmy, near to the Berliner Ensemble; try the pork steak. Vestigial Old World charm clings to the venerable Emder House; the fillet steak is good. And the Panorama restaurant on the 5th floor of the Hotel Stadt Berlin features continental cuisine and waiters in Night Blue tails.

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## WEEKEND

## BOOKSHOPS

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## TRAVEL

## On Safari in and Over Kenya

by Michael T. Kaufman

**N**AIROBI — Several years ago, when I first heard about hot-air balloon safaris over the game-filled plains of Kenya, the idea struck me as being like a submarine cruise around Manhattan Island: interesting, but what's the point?

Still, having enjoyed game viewing from cars and lodges in the three years that I lived in Kenya, and having once spent a pleasant morning ballooning with a political candidate in New York, I decided on a recent return to Africa to book myself onto a safari balloon in the spirit of those who, like George Leigh-Mallory, ascend things because they are there.

At the very least, I thought, I will have the opportunity to see once again that quintessential African landscape of flat-top acacia trees, high grasses and teeming game on the drive toward the Tanzanian border. Through a travel agency in Nairobi I reserved a spot in one of two wicker baskets that are carried aloft, every dawn in the dry season at Keekoruk Lodge in the Masai Mara game park. Each balloon carries five passengers and a pilot. Another company offers similar game-viewing rides in two balloons each morning at Masai Serena, a lodge at the other end of the park.

I picked Keekoruk because, for one thing, it was the first to offer balloon safaris. Alan Root, a naturalist filmmaker, instituted the rides as a commercial venture after he had used a balloon to film migrating wildebeest. Another attraction of Keekoruk Lodge is the tented accommodations it offers. The lodge has luxurious cottages and a swimming pool, but what I like best are the permanent tents, each with its own adjacent flush toilet and hot-water shower.

The tents also have electric lights, telephones and, as in the cottages, morning tea or coffee served at bedside. Despite such conveniences, the tents evoke a sense of the bush. Lying on one of the cots at night, a visitor can hear the snorts and animal footfalls outside, comfortable in the knowledge that an armed askari, or watchman, is on patrol.

Since I had been warned that the balloon flights were sometimes canceled because of rain or excessive wind, I made sure I would be ready to fly on two mornings, booking the tent for two days. I then borrowed a Peugeot station wagon from a friend and drove down. Visitors can fly to the lodge in an air taxi, but I recommend going overland. Although the road is pitted and dangerous, the scenery is spectacular. Small four-wheel drive vehicles, taking about five or six hours to cover the 150 miles (245 kilometers) from Nairobi. Visitors can drive rented cars at their own pace, but they should be aware that there are long, desolate stretches of unpaved and often washed-out roads.

After checking that the car had a jack, a spare tire and a spare fan belt, I set off with some trepidation, which gave way within a half-hour to wonder as I started down the escarpment road to the Rift Valley. This stretch, just north of Nairobi, has always thrilled me with what must be one of the most dramatic prospects in the world. One drives past the fumes and thick forest of the highlands, and suddenly the road opens and drops. Off to the west and far down lies the flat valley with its fields and occasional hillsides stretching to the horizon beneath a clear blue sky and high equatorial sun.

As the descent continues, herds of cows and goats and perhaps gazelles can be seen as dots on the plain and in the lee of the cliffs. At the bottom is a small Roman Catholic chapel built by Italian prisoners of war confined in Kenya by the British in the 1940s. It is a beautiful little chapel in a beautiful setting, and to me it suggests that, considering where else they might have been, the prisoners who built it were happy to be where they were.

Just beyond the chapel a paved but increasingly pitted road heads across the valley past a satellite transmitting station toward the Masai town of Narok. From there an unpaved and rutted track leads to Masai Mara park. Within a few miles of Narok and onward to the end of the journey, groups of Masai appear, walking in and out of the bush, alone, in twos or threes or following their cattle.

On this trip I noticed that many were wearing blue plastic raincoats instead of their traditional pink sheaths, and many carried umbrellas instead of spears or *mungu* (knob-headed clubs made from the roots of trees).

The women in one Masai village had placed posters on trees advertising that they welcomed visitors and that for a fee they would pose for photographs. I did not stop. I took this as another sign of the inevitable erosion of Masai culture. Proud nomads were being pressured into staying put by understandable and even progressive land-use policies.

Is a stationary Masai a Masai? I wondered. I picked up an old Masai hitchhiker, a leathery man with holes in his carabos, who smoked store-bought cigarettes. We had no language in common so we rode in silence until, after 30 miles or so, he tapped me on the shoulder, gestured me to stop, thanked me with his hand to his heart and disappeared into the bush. I do not know where he came from or where he was going, and I think that if I had not picked him up he would have walked the entire distance. He must have been more than 60 years old.



Illustration by Lu Mouché.

By the time he left I was not yet officially in the game park, but along the road there was plenty of life: a herd of zebras, some straggling wildebeest and, mostly, little gazelles with their tails swishing like scapophores.

Inside the park the numbers increased. I stopped to watch 12 elephants. A little farther on I spotted an antelope whose luridly proud appearance I had forgotten. I laughed at the sight of the blue-banded and yellow-breasted animal with front legs longer than his hind ones — a topi. I was surprised and pleased that the name came back to me.

By now, the wildebeest were everywhere, more common than pigeons, thousands of them, moving in strands, forming brigades, battalions, divisions, legions — all heading south for the sweet young grasses.

With many stops along the way, I arrived at Keekoruk in time for dinner and a briefing for the next day's flight. One of the pilots, a young man named Derek, told me I would be awakened at 5 A.M. and served breakfast. Then we would drive to see the balloons inflated with hot air and we would be airborne at 6. We would fly whichever way the breeze wafted us for about an hour, and after the balloons landed we would be served a champagne breakfast by staff members who would follow our flight in trucks.

After a good night's sleep, I met the other passengers. They were an eager group of 9 Americans, the youngest of whom appeared to be in her 60s. We were driven by truck to a grassy field where ground crews were unfurling 2 orange, nonflammable nylon balloons, which measured about 150 feet (45 meters) from top to bottom.

The crews blew in hot air from torches, and gradually, as the sun peeped over the horizon, the balloons also rose. Five passengers and the pilot entered the wicker basket of the first balloon. The pilot turned on the burner for a sharp blast, and the crew let go. With the hiss of the flame we rose, skimming over the tree-tops.

We watched as the second balloon lifted off, and Derek, our pilot, communicated through a walkie-talkie with the other craft. He turned off the burner, and we moved slowly and silently in tandem with the other balloon. Below us lay the snowy, moving strands of wildebeest. From heights that ranged from 30 to 1,000 feet above the ground they could be seen streaming in complex patterns.

When we talked, we talked in whispers, not wanting to break the silence that reigned in the panoramic expanse. We could see in every direction to far horizons, and while below us there was movement, the only noise was the occasional burst of the flame burner to take us upward. We were eavesdropping on the animals below, and with only one exception they were oblivious to the intrusion.

The exception was a group of elephants. They ran from us, and the old matriarchal cow snorted, her ears flapping in anger and defiance. She kept herself between the balloon and the younger elephants.

"Elephants are the only animals who seem to mind us," said Derek. "Perhaps it's because

this balloon is the only thing they have ever seen that is bigger than they are."

The walkie-talkie reported that the other balloon had spotted a kill: the carcass of a gazelle. We found it and then noticed three dozing lions nearby. The wind was blowing us gently toward them, and Derek pointed out a remarkable lion. Two cheetahs, apparently hunting, had come across a chain of wildebeest. The cats, which might have taken a young calf if the wildebeest had been scattered, were no match for the multitudes. Every time the cheetahs approached too close to the bearded antelope, they would be charged. It appeared that the wildebeest were playing with the cheetah, one of which leaped into a tree for refuge. Then the wind blew us away.

And so it went. To my surprise it was interesting beyond novelty, offering not just new sensations of quiet flight but new perspectives of nature's expansive abundance. We had seen the morning break on fields rippling with life. The view aloft was totally different from the view at ground level.

As to the physical sensation, it was not unlike riding a moderately paced elevator. Inside the wicker basket, the passenger is aware mostly of the vertical motion, though, of course, the balloon is moving horizontally as well. The pilot has control only over the ups and downs; the breezes determine lateral direction. To raise the balloon, the pilot turns on the burner overhead, which shoots a flame upward. Within 15 seconds there is a steady, gentle pull upward. As the air cools, the apparatus drops gently.

The most exciting moments were when we rose the first 50 feet, passing just over the upper branches of trees, and when we landed and Derek ordered us to squat on the bottom of the basket. There was hardly a bump as the basket was grasped by the ground crew.

From the drifting balloon, the land, which can look much the same at ground level, was revealed in relief with its gullies, rivers and coasts. The morning haze cleared during the flight, and the hills in the distance along the Tanzanian border came into clearer focus. The views were often panoramic, with herds of game rather than individual animals providing the dynamic element. But then, as the balloon drifted down, specific dramas became apparent — a baby elephant nudged to safety by its mother, vultures polishing off yesterday's kill, or a warthog family, with babies in a line, heading for water.

I suffer mildly from acrophobia, but I had no trouble at all on the flight. One fellow passenger, a resolute and adventurous woman of more than 70, fainted. She said she was becoming dizzy and then slumped to the floor of the basket. Derek radioed the ground crew that he was coming down. By the time we landed the woman had recovered, but she was taken to the truck to rest and we lifted off again.

When it was finally time to end the ride, Derek radioed the crew again and they were there to grab our basket when we landed.

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## In Madrid, a Royal Pharmacy

by Anne Sinclair Mehdevi

**M**ADRID — Probably the only drug store in the world that requires an entrance fee (26 pesetas, the equivalent of 17 cents) is the Royal Pharmacy in Madrid. The reason is that there is no door to the street — the pharmacy is inside the Palacio Real, the royal palace, and was meant for blue-blooded residents only. In order to get an aspirin, the tourist has to buy a ticket for the whole royal palace tour, which includes dozens of salons, bedrooms, dining rooms and music rooms.

For those who get chafing feeling at overexposure to lavish 18th-century bad taste, there is a bonus in store — the pharmaceutical museum beneath the pharmacy. Once the ticket is in hand, the visitor can skip the tour and by turning immediately left after the entrance arch find himself in the small museum, no more than 6 rooms plus a library of 2,000 volumes.

One enters first a laboratory with ancient stills, ovens and all sorts of odd-shaped paraphernalia for extracting medicine from raw materials. One bronze mortar is so large that the pestle must be worked by a pulley attached to the ceiling.

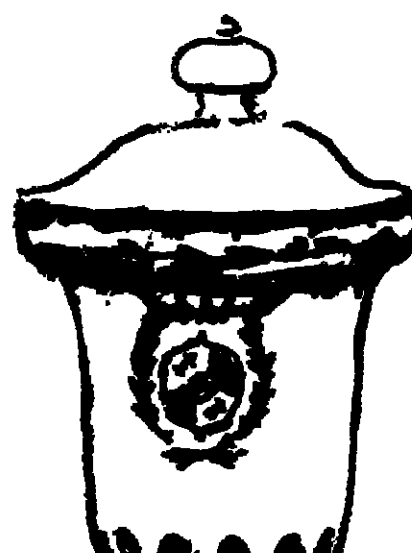
Other rooms are filled, floor to cornice, with containers of all shapes and sizes, from a queen's rouge pot to great urns used for storing rice and coffee — both classified as part of the pharmacopoeia.

The museum owes its existence to King Philip II, who established the first palace pharmacy in 1594. The palace and most of the pharmacy equipment were destroyed by fire a century and a half later, and the present contents of the museum are almost all the legacy of Charles IV, an otherwise forgettable king whose homely face and tubby form are well known only because his court painter was Goya.

In 1808 Napoleon's troops invaded Spain and Charles abdicated. He gave the pharmacy's instruments, vases and medicines to nobles they had taken from the French. In 1813 when Napoleon's brother Joseph fled, the pharmaceutical equipment was brought out of hiding and the museum set up.

One is inclined to forget that the pharmacology, with its knowledge of microbiology, its antibiotics and chemically synthesized medicines, is of relatively recent origin.

Quinine, for example, was discovered in Peru in the 17th century but was not artificially produced until 1944. The conquistadors found



Royal medicine jars.

the Incas of Peru using quinine as a specific for fever, long before the cause of malaria was known. Since malaria was one of the most ubiquitous and deadly diseases in Europe, the value of quinine, derived from the bark of the cinchona tree, was instantly recognized. The treasure trove of quinine that came twice a year from the New World laden with gold also brought bales of cinchona bark, so greatly prized that at first the quinine was reserved for royal use.

On display in the museum is the ledger recording the yearly arrivals of the cinchona — its weight, value and distribution. Also on display are samples of the bark and two of the leather shipping bales. The secret of quinine was rigorously guarded by the Spanish crown and the first use of it in England is not recorded until almost two centuries after its discovery.

Even though the Spanish royal house possessed the secret of quinine, the visitor tends to feel sorry for its members on seeing what additional and more questionable medicines they had to depend on. One showcase contains such remedies as dried vipers, animal gallstones, a narwhal tusk and even "manna of the Israelites" — a darkish, inedible-looking lump.

The library is still used by students from the College of Pharmacy, who must get special permission, because many of the books and manuscripts are classified as part of the national patrimony. The oldest volume is by Averroes of Cordova, a Moorish mathematician and doctor of the 12th century, whose book lists

every pill and elixir dispensed to palace residents over many decades.

One queen, Isabella II, was devoted to homeopathy, the school of medicine that holds that, if given in minute quantities, like cures like. Isabella had designed an inlaid suitcase holding more than 3,000 tiny vials, each fitted into a minuscule slot. One cannot help but admire the beauty and ingenuity of this carrying case; one also wonders how she could possibly have suffered from 3,000 diseases.

The Museo de Farmacia, in the Palacio Real, Calle Bailen, is open every day of the week from 10 A.M. to 12:45 P.M. and from 4 P.M. to 5:45 P.M.

## Babylon, Between Iraq and a Hard Place

**B**ABYLON, Iraq — The guns of the Iraq-Iran war cannot be heard in Babylon, where armies of the Persian emperor Cyrus once trod in triumph on their way to Jerusalem and where Alexander established the capital of his empire. But the conflict is felt here.

The brick heaps of past splendor are littered by cigarette butts, wrapping paper and empty soft-drink cans because the many attendants who used to tidy up the Gate of the Goddess Ishtar have gone either to war or to more urgent business in Baghdad, 55 miles (about 90 kilometers) north.

Now, instead of a tour guide, a clerk wordlessly ushers visitors through the reconstructed gate, built of bricks and painted robin blue with bas-relief symbols in russet brown or corn yellow.

Before the war, Iraq sought to revive the ancient glory of Babylon, whose pre-Islamic heritage is claimed by the secular regime of President Saddam Hussein. Now the fighting has halted the extensive restoration of the tarred-brick ruins, including the Street of Processions, which once led chariots, horsemen and foot soldiers to the warren of palaces and temples beside the Euphrates River.

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## Check and Mate, Computer

Continued from page 7

grand master chess," Levy said by trans-Atlantic telephone. "But having played the thing now, my feeling is that a human world chess champion losing to a computer program in a serious match is a lot further away than I thought."

"Most people working on computer chess are working on the wrong lines," said Levy, 39, who was rated an international master when he was a competitive chess player. "If more chess programmers studied the way human chessmasters think and tried to emulate that to some extent, then I think they might get further."

But Robert Hyatt, a computer scientist at the University of Southern Mississippi in Hattiesburg, the principal developer of Cray-Blitz, is putting his faith in still-faster machines soon to be available, including the Cray X-MP4 and the Cray 2. With the Cray 2, he said, the program will be able to examine 100,000 positions a second, twice what it can do now.

Using its speed, Cray-Blitz examines all positions for four moves ahead and can then look as many as 20 moves further for selective positions involving checks and captures. It does all this within the time allowance of a standard tournament in which each player gets 2 hours to make his first 40 moves.

The argument between the speed, or brute force, approach and selective searching has been fought as long as researchers have tried to teach computers to play chess. Human chess players are somehow able to focus on the right moves and can examine them to great depth. What enables them to do that is not well understood, and converting that knowledge to a computer program would be even more difficult.

"There is a great amount of knowledge that humans have about chess that they can even communicate to each other that we are unable to program," said Harry Nelson of California's Lawrence Livermore Laboratory, who has worked on improving the programming of Cray-Blitz. "I'm not saying that no one will ever be able to program it, but I don't know how to do it now."

Despite its limitations, Cray-Blitz is considered a spectacular tactical chess player, where tactics involve immediate gain, such as winning a piece or advancing a pawn to the eighth rank. But it is only a so-so strategic player, where strategy involves doing things that have no specific advantage now but which may pay off later.

"Obvious strategic things to humans it just didn't do very well," Hyatt said.

Levy, who is chairman of a company called Intelligent Software in London, said that he played in a way that took advantage of the program's weaknesses. He sat back and waited, pushing the pawns one square at a time and befuddling the computer.

The match was played for a week in April at a conference in London on advances in computer chess. Unfortunately for Cray-Blitz, the Cray X-MP computer that was used was in Minneapolis, and a sizable amount of time was lost conveying the moves back and forth by telephone from the board to the computer.

In addition, the computer itself failed twice during the match, which caused the program to lose the second game and severely hampered it in the third. But in the first and fourth games, Levy beat the computer fair and square.

"I could not say that even if it ran perfectly we would have won," Hyatt said. "The chances were still probably in his favor. He played really accurate chess."

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A canal constructed by the Jordan Valley Agricultural Project.

## Water: Ancient Source of Tension

By John K. Cooley

"Water is not necessary to life but rather life itself," the French poet and aviator Antoine de Saint-Exupéry wrote on the basis of his experience in arid countries. His observation highlights a fundamental Middle Eastern fact that has lately been forgotten by everyone except Israel and its Arab neighbors. Indeed, long after oil runs out, water likely to cause wars, cement peace, and break empires and alliances in the on, as it has for thousands of years.

Constant struggle for the waters of the Jordan, Litani, Orontes, Yarmouk and other life-giving Middle East rivers, little understood outside the region, was a principal cause of the 1967 Arab-Israeli war and could herald a new all-out conflict. It is also a backdrop of the Palestinian question and of struggle over the future of the West Bank.

In 1947 many an attempt has been made to write peace documents or draw new ceasefire agreements between Israel and its neighbors. Each time, the water question has blocked agreement. While the need for a canal, overall water-sharing program, or other water-sharing program grows more apparent, it seems less attainable, as water issues are aggravated by peace tensions and by the fact that, while neighbors' consumptions are rapidly rising, Israel still consumes roughly five times as much water per capita as each of its less industrialized and less intensively farmed neighbors.

A major project Israel has proposed to some of its water and hydroelectric problems poses some potentially serious difficulties for Jordan. This project, known as the Med-Dead Canal, would be a water conduit linking the Mediterranean near Gaza with the saline Dead Sea. The canal would use the drop of about 1,300 feet in water flow east into the Dead Sea to drive electric turbines. At the time project was designed, Israeli Finance Minister Pinhas Sapir said the canal would compensate the Dead Sea for the diversion of the Jordan River into the [Israeli] diversion system.

Yet the plan has alarmed the Arab states, especially Jordan. They have studied delays or halting the project. Specifically, Jordan fears that the rise in the level of the Dead Sea, caused by the influx of Mediterranean water, will destroy the phosphate extraction and its side of the Dead Sea opposite Israel's chemical and nuclear complexes at Arad and Dimona. This fear was heightened by the

confirming findings of a 1981 Israeli parliamentary commission report.

Jordanians have also feared for the last two generations that the Med-Dead Canal would ruin Jordan's already well-advanced plans for reclaiming for Jordanian agriculture much of the salt-saturated Wadi Araba region south-east of the Dead Sea and would pollute much of the still-fresh waters of the Jordan Valley's streams and aquifers. Israel's economic planning already takes these effects into account; Jordan's economy would need to make costly adjustments.

The Middle East's water problems are regional, deriving from common sources, and cannot be regarded solely as an Arab-Israeli problem. In fact, the Arab states have quarreled among themselves about water. But the water problem's Arab-Israeli dimension is vitally important and is rooted in Israel's original diversion of Jordan River waters after 1948. Since the Palestinian Arabs displaced during the Israeli war of independence and their Arab supporters considered the Israeli state illegitimate, they persistently decried the unilateral diversion of the Jordan as completely illegal and utterly nefarious. The Israelis responded that the surrounding Arabs were never willing to let Israel live in peace, that most remained in a state of war with Israel and that Israel never intended to deprive Arab neighbors of water they needed.

Although Israel has striven to make itself self-sufficient in water supplies and, under the leadership of former Prime Minister Menachem Begin, grew increasingly secretive about water issues, Jordan's water plans anticipate a real peace settlement with Israel that would permit regional water sharing. The keystone of Jordan's effort is the East Ghor Canal, designed by a team of Jordanian and American water engineers in 1957 and built with Kuwaiti and West European support. This 42-mile-long, concrete-lined, gravity canal was deliberately designed so that it could one day be fed by a gravity canal from the Sea of Galilee, if water sharing with Israel became a reality. King Hussein's planners, however, have always felt that the only way to develop the Jordan Valley over the long run is to return to the idea of damming the Yarmouk River.

Between the June 1967 war, the ensuing war of attrition and, finally, the outbreak of fighting between Jordan and the PLO, which led in 1970-1971 to King Hussein's final expulsion of the guerrillas, the late 1960s and early 1970s were a disaster for the Jordanians. Most of its 60,000 pre-1967 inhabitants

of Amman, Salt and Irbid. Further, Israeli commando raids against the PLO continued to disrupt normal life in the valley and its water system — despite the efforts of 700 dedicated staff members of the East Ghor Canal authority who stayed on to keep the water flowing. Finally, Israeli napalm and phosphorus shells devastated thousands of acres of good land.

Only in early fall 1971, when calm was restored after the Royal Jordanian Army defeated the PLO, did people return to the valley.

Taking charge of the regional reconstruction effort was Crown Prince Hassan, King Hussein's brother, then a 23-year-old Oxford University graduate. By 1975, when approximately \$200 million had been raised for the task, Jordan had drawn up a comprehensive Jordanian water plan, involving construction of the King Talal Dam on the Zarqa River, a major new irrigation network and smaller projects at nine wadis, as well as measures to expand the East Ghor Canal and to control flooding.

The first stage of this Jordan Valley Development Plan, one of the more successful ventures funded in part by U.S. foreign aid in the Middle East, was finished by 1980, including the King Talal Dam and a Zarqa triangle irrigation project. Indeed, by 1981, plastic tunnels, greenhouses and drip irrigation, once a sure sign of Israeli-farmed territory, had spread through the valley on the East Bank, enabling Jordan to export large amounts of fruits and vegetables to other Arab states and beyond.

Jordan's current 1981-1985 national development plan provides for investing about \$1.6 billion in agriculture and boosting agricultural income by about 7 percent annually, mainly through expanding the irrigated zone in the Jordan Valley and southern Ghor region. But water is still a scarce commodity in Jordan, and by the mid-1970s water rationing in big cities like Amman and Irbid attested to the need for a major new water source.

So in 1975 the kingdom put the Maqarin Dam back on the agenda of the Jordan Valley Commission's seven-year (1975-1982) plan. Preliminary work began in 1976. The Carter administration then began to take the same kind of special interest in Middle East water displayed by President Dwight Eisenhower in the 1950s. U.S. planners could not only help Jordanian agriculture by controlling the Yarmouk River.

(Continued on Next Page)

John K. Cooley has covered the Middle East for many years. This article is excerpted from the Spring 1984 issue of Foreign Policy.

## West Bank, Palestinian Issues Remain Key Obstacles to Peace

By Robert Holloway

AMMAN — Jordan, in the words of a former prime minister, is the first shock absorber for the Palestinian problem. More than half of its 2.6 million citizens are of Palestinian origin and many have relatives living under Israeli occupation on the West Bank, itself part of Jordan until 1967.

"We are affected by the occupation every day of our lives," said a Jordanian journalist who is distantly related to one of the leaders of the Palestine Liberation Organization. "You cannot separate Jordan and the West Bank in human terms, although they are distinct political entities."

When King Hussein reconquered the lower house of the parliament in January after an interruption of almost 10 years, many outside Jordan naturally associated the move with the failure of the king's talks last year with the PLO chairman, Yasser Arafat, on President Ronald Reagan's proposal to link Jordan and the West Bank in a confederation.

The king had prorogued the lower house in November 1974, when an Arab summit declared the PLO the sole legitimate representative of the Palestinian people. He did not, however, dissolve the House of Representatives, half of whose 60 members had been elected in West Bank constituencies before the occupation. If the PLO, bitterly divided since its expulsion from Beirut, was unable to accept the Reagan proposal, the king (or so it was thought) might seek a mandate from the West Bank deputies to enter talks with Israel on Palestinian autonomy.

The recall of the parliament, however, opened a public debate that has revealed strong opposition to the Reagan plan. Although political parties still may not contest elections, Moslem fundamentalists scored impressive victories over dozens of rival candidates in three of the eight by-elections held in March to replace dead East Bank deputies, and an Arab nationalist won a fourth seat. A source close to the king remarked in private this month, "American credibility is not zero; it is minus."

The elections were held to avert a constitutional crisis. Only 47 deputies were still alive and a dozen of those are more than 70 years old. The king's authority is unchallenged, even by the small Communist groups that he tolerates, but Jordan remains a constitutional monarchy; had only eight West Bank deputies been unable to travel to Amman, the House of Representatives would have lacked a quorum. Since the Israelis will not permit elections on the West Bank, vacancies are filled by candidates chosen by the parliament.

Information Minister Leila Sharaf said that this was "the only inhibition to developing democracy, which is a process of education; a new generation has grown up without elections and is hungry for

rights." Jordan's population is highly educated.

The turnout in the by-elections, the first in which women could vote, was 43 percent, more than twice as large as, for instance, in recent polling for the upper house in Egypt.

But while the government says it plans elections at the regional and village levels, and while it asserts that victories by fundamentalists prove that "there was no interference" in the by-elections, it has announced no timetable for a full parliamentary shakeout.

Firm control on the news media remains at its disposal, moreover, and if the business community was pleased to see the replacement of

the interventionist Prime Minister Mudar Badran in January, his successor, Ahmed Obaidat, is like Mr. Badran, a former head of the intelligence service. "This is still a police state," remarked one businessman. But, almost everyone agrees, a benign one.

Tarek Masarweh, a columnist for the daily al-Rai and a severe critic of the former government's economic policies, complained that "there is no strong opposition."

"People do not feel involved; you might ask, what is the difference between a Jordanian and a tourist?" he said. But, he added, "people genuinely love the king; when things go wrong, the common reaction is to say if the king knew

about this, he would not allow it." Mr. Masarweh launched an economic weekly, al-Ufuk, which was banned after fewer than two dozen issues just before the Reagan plan was announced in September 1982; no reason was given, he said, but he believes his criticisms of U.S. policy offended the authorities.

Other editors maintain that the only bar is on criticism of the royal family. But no firm guidelines exist; it is not clear, for example, how the government would react to attacks on Jordan's unconditional support for Iraq in the Gulf war.

Jordan, facing a threat on its northern border from Syria, Iraq's (Continued on Next Page)

## Economy Registers Growth Despite a 2-Year Recession

By Rami G. Khouri

AMMAN — Rarely in its modern history has Jordan had to deal simultaneously with as many economic challenges as it faces today. After eight years of strong growth, following the oil price increases of the 1970s, the Jordanian economy is into its second consecutive year of recession.

But like so many other anomalies and peculiarities of the Jordanian economy, last year's "recessionary" economy registered real growth of about 5 percent, on the basis of strong inflows of workers' remittances, good international creditworthiness, reduced but nevertheless substantial flows of Arab aid and some fast domestic belt-tightening. The gross domestic product increased last year by about 5 percent in real terms (after accounting for the 5-percent inflation), to reach 1,487 billion dinars.

Jordan's economic burst forward in the 1970s was based on its being an open economy that relied heavily on an outflow of its skilled workers, goods and services and an inflow of private remittances, manual laborers, Arab aid and capital, and consumer imports. When its Arab economic partners and supporters suddenly felt the pinch of international and regional developments (most notably lower oil prices and exports and the Iran-Iraq war), Jordan quickly suffered in sympathy.

The single biggest recessionary factor has been the large drop in the anticipated Arab cash grants that had been set at \$1.25 billion a year at the 1979 Baghdad Arab summit meeting. In 1982 and 1983, Jordan received only 184 million dinars and 130 million dinars, respectively, in Arab grants for use in the central government's budget (another sum equal to half those amounts went to the armed forces every year and, thus, did not directly affect the domestic economy). This year, the government anticipates receiving slightly more than \$600 million in grants, primarily from Saudi Arabia and Kuwait but also with smaller payments by Qatar and the United Arab Emirates. About \$400 million of this will go into the central government's budget.

The government's expenditures make up such a large share of gross national product that any slowdown in government spending is quickly felt throughout all sectors of the economy. Last year, the government budget of 717 million dinars amounted to about 50 percent of the gross domestic product of 1,487 billion dinars.

This year's 776-million-dinar budget represents a minimal real increase over last year's, reflecting the curtailed aid inflows. The reduced government spending has been felt most notably in a slowing down of planned capital investments in development projects in the current five-year plan. Last year, for example, the economy's expenditures on gross fixed capital formation actually dropped slightly from the previous year (\$91 million dinars, against \$97 million dinars in 1982), for the third straight year of non-rising capital expenditures.

The reduced domestic activity was aggravated by a drop in exports, due to factors such as the slowdown in the Gulf economies, curtailed imports by Iraq, the boycott of Egypt, poor relations with Syria and a generally weak international market for phosphates, Jordan's single biggest export item.

Domestic exports last year dropped from 186 million dinars to 160 million dinars. The biggest factor in this respect was the halving of exports to Iraq, from 67 million dinars in 1982 to about 30 million dinars last year. Re-exports were also down in 1983, at 30 million dinars, against 79 million dinars the previous year.

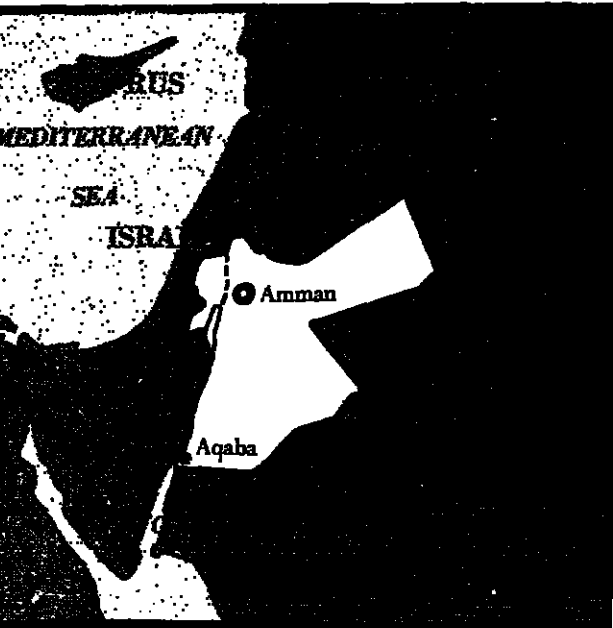
Phosphate exports of 3.7 million tons were worth 57 million dinars last year, representing the third straight year of flat earnings. But this year is expected to show the first real increase in four years, with sales contracts during the first quarter indicating annual sales of 6.4 million tons in 1984. At least 1.2 million tons of this will be sold to the new chemical fertilizer industry at Aqaba, which will transform it into exportable chemical fertilizers. The potash industry at the Dead Sea has also come on stream, and within the coming several years these three big mineral exporters and the new cement plant at Rasheed will start contributing hand-somely to Jordan's export revenues.

Thus, Jordan can soon anticipate reaping the rewards of the last eight years of high capital imports and international borrowing that were required to finance these and other large productive industries, such as the Jordan Valley integrated development project.

The previously brisk annual increase in imports has also slowed down. Last year's imports were worth 1,103 billion dinars, against 1,142 billion dinars in 1982. The bill for Jordan's oil imports alone was 205 million dinars last year, or more than the country's total domestic exports. The improving prospects of finding commercial quantities of oil in the northeastern panhandle area of the country, based on some positive test wells drilled this year, has been a comforting note.

The strong inflow of remittances by Jordanians and Palestinians working in the Arab oil states has been another sanguine development. Remittances channeled through the banking system last year were worth 413 million dinars, with perhaps half again this amount coming into the country through unofficial channels.

Surprisingly, the balance-of-payments picture remains healthy. A



### BASIC DATA

INDUSTRY: The most important activity is processing potash and other minerals. There is a large chemical fertilizer plant in Aqaba.

The principal crops are wheat, barley, vegetables, olives and fruit (mainly grapes and citrus fruits). Agricultural production in the Jordan Valley has increased considerably in recent years due to the extension of East Ghor Canal and the King Talal Dam.

TOURISM: In 1980, 1.6 million foreigners visited Jordan. International-class hotels have been built to cater for the tourists visiting the archaeological sites of East Jordan and the resort of Aqaba, and for businessmen visiting Jordan or stopping off en route to Baghdad.

CURRENCY: The Jordanian dinar is divided into 1,000 fils. JD1=\$0.36.

## King's Position Leads U.S. to Delay Regional Peace Initiative

by Bernard Gwertzman

WASHINGTON — There is an uneasy silence in Washington these days about the Middle East, after seeming to be preoccupied with most of the two years with the problem of Lebanon and the Arab-Israeli conflict. In Congress, the press and the public have suddenly appeared to lose interest in the region. It has actually dropped out of the political vocabulary here. President Ronald Reagan can be a press reference and not be asked a word about it. State department officials who a few months ago were wailing with minority-minute apprehension the discussions for a Lebanese government administration about who is now in a Lebanese cabinet.

The immediate cause of this change was the severe embarrassment that the United States suffered from the hurried withdrawal of the Marines from Lebanon in February, and the subsequent abrogation by the Lebanese government, under pressure from Syria, of the U.S.-sponsored Israeli-Lebanese agreement of May 17, 1983. In addition, the decision by the Israelis to hold elections for a new Knesset in July, and the gradual movement of the United States toward its own presidential election in November, have made it politically "wise" to leave the Middle East alone for the time being.

But the factor that finally led Washington to give up hopes of accomplishing anything now about the Middle East was the public disaffection by King Hussein with the U.S. administration's Middle East

policies, evinced publicly by the monarch, first in a scathing New York Times interview in mid-March and then repeatedly to other publications.

To make up for the political defeat in Lebanon, the White House and the State Department had both held out the vision, however unreal, that the administration could do something about reviving the dormant Middle East "peace process," in which Jordan would play a starring role. The net result of King Hussein's statements was to put in abeyance, probably until after the U.S. elections, any thought of a new Middle East initiative.

Many times in the past, Jordan has been regarded as a likely candidate for a peacemaker's role, either by the United States, or by King Hussein, but each time something has happened to deprive Jordan of the opportunity. Following its disastrous intervention in the 1967 Arab-Israeli war on the side of Egypt, Jordan found itself without the West Bank. After the UN Security Council in November 1967 passed Resolution 242 calling on Israel to withdraw from lands occupied in the war, in return for secure and recognized borders, Jordan saw itself being able to retrieve its captured territory in return for a political accord with Israel. But that hope vanished when Egypt under Nasser was unwilling to negotiate with the Israelis and King Hussein dared not risk doing so by himself.

In 1974 and 1975, when Israel signed disengagement accords with Egypt and Syria in the aftermath of the 1973 war, King Hussein virtually pleaded with Henry A. Kissinger to include Jordan in the process. But faced with the reluctance of the Labor government in Israel to face

the electorate over giving up land in the West Bank, and the desire of President Anwar Sadat of Egypt to keep Israel focused on negotiations with Egypt, Mr. Kissinger made the mistake of not doing anything for King Hussein. In turn, that led to the move at the Arab summit meeting in Rabat in October 1974 to strip the West Bank and Gaza from Jordanian responsibility and to make the Palestine Liberation Organization henceforth responsible for recovering those lands.

In 1978, after the Camp David accords between Egypt and Israel, President Jimmy Carter desperately wanted to find a part for King Hussein in the drama about to unfold. He sent his secretary of state, Cyrus R. Vance, to the region to offer him the chance. But King Hussein refused to join unless he had prior assurances that Israel would give up all the occupied lands, something that was impossible to envisage so long as Prime Minister Menachem Begin's Likud bloc, with its proprietary view of the West Bank to Israel, was in power. Zbigniew Brzezinski, Mr. Carter's national security adviser, said in anger that King Hussein wanted everything on "a silver platter."

King Hussein's next chance came after President Reagan's Middle East speech of September 1, 1982, when he called on Jordan to join the stalemated talks between Egypt and Israel over the future of the West Bank. As an incentive to Jordan, Mr. Reagan said that the United States envisaged an eventual association between Jordan and the Palestinians on the West Bank. For several months, King Hussein negotiated with Yasser Arafat — the leader of the PLO, whose base of operations had been wiped out in Lebanon —

in the hope of working out a joint approach for joining the talks. But the peace process, but apparently gave up after the Americans were forced out of Lebanon. But the way the king decided to put some distance between himself and Washington produced much resentment in the United States. Paradoxically, the trouble resulted from a decision by President Reagan and his senior advisers to focus U.S. attention on Jordan, and away from the embarrassment of Lebanon. In early March, the administration announced that it was going ahead with the sale to Jordan of 1,613 Stinger shoulder-fired anti-aircraft missiles valued at \$133 million, even though the sale was opposed by Israel's supporters in Congress.

On March 13, Mr. Reagan spoke to a major U.S. Jewish organization meeting in Washington and urged it to support the sale of the Stingers to Jordan. He warned that Syria, after its success in Lebanon, was "trying to lead a radical effort to dominate the region through terrorism and intimidation aimed, in particular, at America's friends."

"One such friend," he said, is King Hussein of Jordan, who is crucial to the peace process. For that very reason, Jordan, like Israel, is confronted by Syria and faces military threats and terrorist attacks. Since the security of Jordan is crucial to the security of the en-

tire region, it is in America's strategic interest — and I believe it is in Israel's strategic interest — for us to help meet Jordan's legitimate needs for defense against the growing power of Syria and Iran."

The administration viewed that speech as a major show of political fortitude by a president in an election year. That is why Washington was so stunned when King Hussein two days later castigated the United States for being too pro-Israel to be effective as a mediator, and said that he would not join the peace talks until the United States got Israel to halt its settlement activity in the West Bank and to agree ahead of time to negotiate a pull-back consistent with Resolution 242. Even though the administration could sympathize with King Hussein's frustrations, it nevertheless announced a week later that the Stinger sales were being canceled, given the anti-Jordanian mood in Congress.

There still are plans to provide Jordan with the means to equip a Gulf strike force to aid friendly Arab governments in case of local insurrections. And officials still talk about reviving the peace process eventually. But some thoughtful officials say that whoever is the American president next January will have to take a long, hard look at the Middle East and see if the code words and the assumptions that have existed since Resolution 242 was passed are still viable. For instance, King Hussein repeatedly insists that the United States is committed, as the result of its role in brokering 242, to forcing Israel to give up virtually all of the West Bank in return for peace. But is it practical any more, they say, for such a solution to be demanded, given the heavy Israeli presence in the West Bank?



King Hussein and Queen Noor during an interview.



## JORDAN

## Relations With Arab Nations Strained As War in the Gulf Continues Unabated

AMMAN — When asked to list Jordan's priorities in its dealings with other Arab states, an adviser to King Hussein said this month, "Without any doubt the first is to stop the Gulf war."

That is no pious expression of sympathy for an Arab neighbor that has been ruled by three and a half years of hostilities. Jordan, Iraq's most faithful supporter against Iran, is feeling the economic pinch itself, although it has not committed its resources to the conflict. Iraq's growing weakness has also increased the relative strength of its rivals in the Arab world, notably Syria, with which Jordan has such uneasy relations that, during the 1980 Arab summit in Amman, Syria mobilized armored units on their common border.

"The king is afraid of polarization in international affairs and he cannot, therefore, cut ties with anyone," his aide said. But King Hussein believes that a negotiated settlement of the Gulf war would redress a political balance in the Middle East that Jordan feels has tilted against it.

The immediate effect of the war is, nevertheless, economic. Iraq long ago suspended the financial assistance to Jordan that it pledged at the Baghdad summit in 1978, when 17 Arab states, in a rare display of solidarity, condemned the Camp David agreements.

Libya, another of the Baghdad donors, halted payments to Jordan because Libya sides with Iran in the war; with only Saudi Arabia and Kuwait honoring their commitments, Jordan this year can look forward to \$600 million in Arab aid, less than half the \$1.25 billion it was promised.

Trade with Iraq has slumped since the boom that Jordan experienced when Baghdad put its economy onto a war footing but consumers in Iraq still had enough money to buy imported goods. Central Bank statistics show that Jordan's exports to Iraq jumped from about

\$91.3 million in 1980 to more than \$186.8 million the following year, when they represented 85 percent of Jordan's sales within the Arab common market and 37.5 percent of all Jordanian exports. In the 12 months that ended last October they fell to \$72.7 million.

The volume of goods in transit through the Jordanian port of Aqaba more than tripled in the first year of the war as activity declined in Iraq's single port, Basrah. It slumped last year, however, reaching 2.69 million tons by the end of November, 1.2 million tons lower than in the corresponding period of 1982, the Central Bank reported.

The war appears to have had a similar, though less drastic, impact upon remittances by migrant workers, the single most important factor in Jordan's balance of payments. About 300,000 Jordanians work in foreign countries, two-thirds of them in the Gulf states, notably Saudi Arabia, contributing about \$1.25 billion a year to the Jordanian economy.

Jordan's reliance upon foreign trade and the movement of labor makes the country more than usually sensitive to external influences: the strongest and most persistent is Syria. Although King Hussein has urged volunteers to join the Iraqi armed forces and has rhetorically offered to lead the Yarmouk force he created in 1982, he has not sent any regulars to Iraq.

"The Jordanian Army is, man for man, the best in the Middle East," an independent observer said, "but it has only 90,000 men. To send one of its four divisions to Iraq would invite moves by Syria."

Sources close to the king, who asked not to be named, said the chief bone of contention was the king's readiness to tolerate Islamic fundamentalists, among them the Muslim Brotherhood, which until recently was the focus of widespread and violent opposition in Syria to the regime of President

Hafez al-Assad. After a series of uprisings, troops loyal to the president surrounded and shelled the city of Hama, north of Damascus, in 1982; estimates of the number of dead range from 10,000 to 30,000.

"Syrian intelligence blamed Jordan for encouraging the Brotherhood because it was too incompetent to identify and neutralize subversion in Syria," a source close to the king said.

Relations with Syria, while not so strained as during the Amman summit, remain uneasy. Jordan has introduced exit visas for people crossing its northern border, although Syria has not reciprocated. Jordan, meanwhile, is waiting to see the outcome of the struggle between President Assad's younger brother Rifaat and his rivals for the succession to the ailing head of state.

The king's advisers feel that the balance in relations with Syria is too delicate to permit Jordan to make any precipitate move, and this was a factor influencing the king's unsuccessful talks last year with Yasser Arafat, chairman of the Palestine Liberation Organization, on the Reagan plan to link Jordan and the West Bank in a confederation. The talks failed principally because Mr. Arafat, weakened first by the PLO's exodus from Beirut and subsequently by his expulsion from northern Lebanon by Syrian-backed factions in the PLO, no longer had the authority to persuade his colleagues to accept U.S. proposals for a Palestinian-Jordanian confederation.

King Hussein was reluctant to push Mr. Arafat too hard, his advisers say, because of the danger of exacerbating the split within the PLO and causing Mr. Arafat's fall. "A Syrian-dominated PLO would be a disaster," one source said. Such a development would further add to Syria's weight in Arab affairs and give Damascus leverage

over Jordan's large Palestinian community.

Such calculations are a constant motif in Arab politics; it seems paradoxical, at least to outsiders who categorize Arab states as moderate or extremist, that Jordan still declines to renew diplomatic ties with Egypt. Jordan was one of the most eager advocates of Egypt's readmission to the Arab League in 1979, but it has not yet done so. King Hussein has conferred with President Hosni Mubarak several times and Jordanian newspaper editors say he asked them to refrain from criticizing Egyptian policies; in concluding a trade agreement last year, Jordan became the first Arab state formally to end the economic boycott of Egypt, which came into force after the Baghdad summit. Iraq has said on several occasions that it would not hesitate to renew ties with Cairo if given the lead to do so.

But, the king's aides said, the restoration of formal ties must be a concerted move by members of the Arab League. "It would be very embarrassing for us to reopen an embassy in an Arab capital where there is an Israeli embassy," one aide explained.

The risks in rapprochement with Egypt were underlined last year when a mob burned Jordan's embassy in Tripoli, apparently in reaction to the Hussein-Arafat talks on the Reagan plan. As a diplomat in Amman observed, "Egypt has the population, the economic base and the military might to survive isolation in the Arab world. Jordan has none of those."

Egypt, moreover, was rewarded for signing its peace treaty with Israel with U.S. aid now exceeding \$1 billion a year.

"U.S. aid is not disinterested," one of the king's advisers said, "and we are not asking for any. We do not want to become a pawn in the East-West struggle."

— ROBERT HOLLOWAY

## Water: Ancient Source of Tension

(Continued From Previous Page)

muk's winter floods and providing water for irrigation projects but also give Syria and Israel a more even flow of water on a year-round basis. In 1980 the U.S. Agency for International Development loaned Jordan \$9 million in addition to \$10 million previously committed for this \$1-billion project. The dam should irrigate a total of 32,000 acres and power a major hydroelectric project.

The Magarin project is now being held up primarily by the Middle East's fundamentalist problems. The start of the principal construction work is dependent on agreement among Israel, Syria and Jordan on riparian rights. But Syria and Jordan have found it impossible to agree on dividing water shares, either under their 1953 water accord or on any other basis. And in 1978 Mr. Begin privately demanded that the Carter administration guarantee that Magarin's construction would not affect the water already flowing into Israel's part of the Yarmouk triangle, just south of the Sea of Galilee, to water Israeli farms.

The U.S. embassies in Israel and Jordan have quietly been trying to deal with this

matter. And during a round of secret shuttle diplomacy just before the Lebanese crisis began to claim his attention in 1980-81, the U.S. negotiator Philip Habib tried patiently but in vain to elicit at least a tacit Magarin agreement from the riparian states. The Lebanese war doomed this mission. By early 1984 Jordan was complaining that Syria had so increased its own intake of Yarmouk water that it endangered Jordan's own supplies.

After a prolonged drought during the winter of 1983-1984, Jordanian and Israeli water reserves fell to new lows. Jordanian officials predicted a water crisis and possibly a political-military one as well by late summer of 1984, unless Israel allowed the Jordanians to remove an artificial island in the Yarmouk, near the intake tunnel to the East Ghor Canal. According to Jordanian officials, the island effectively diverted more Yarmouk water to Israel, where the Sea of Galilee storage levels were high and were being used to pump water to Israeli settlements in the Golan Heights and the West Bank. Jordan ordered its farmers in the Jordan Valley not to plant summer crops, because of the impending water shortage.

Even more serious, from the Jordanian

point of view, Israeli officials who had attended regular meetings in presence of representatives of the United Nations (usually American) on water problems suspended the meetings unilaterally in 1983. They returned to them at the beginning of May 1984, apparently after the pressure generated by the U.S. Embur and AID mission in Amman.

According to the Jerusalem Post, Israel Water Commissioner Zerahai said on April 3 that Israel would begin summer "taking all the water from the Yark river to which it is entitled under agreements with Jordan." By the end of 1985, it would be able to draw 60 million to 70 million cubic meters annually, Mr. Zerahai reportedly said. The Water Commission has also decided to draw water from the Sea of Galilee lowering its autumn level by one meter (10 meters below sea level, so as to be able to take in additional Yarmouk water and water.

Late spring rains relieved the acute drought conditions, although not time to save many crops. What is needed is a major application of common sense on each side, as well as careful U.S. monitoring of the entire water situation in the area.

## West Bank, Palestine Issues Block Peace

(Continued From Previous Page)

bitterest ideological rival within the Arab world, received large amounts of Iraqi aid in the late 1970s and has good practical reasons to side with Baghdad. Few Jordanians, however, seem to doubt the sincerity of the king's appeal to Arab nationalism, even if equally few responded to his appeal for a volunteer force to aid the Iraqi Army. Where the king seems out of touch with public opinion is in his support for President Saddam Hussein.

A newspaper editor observed that "most people think Saddam is getting his just deserts," an impression that was confirmed in several other conversations. Antipathy for Mr. Saddam does not imply even sneaking support for Iran, however, and the fundamentalists enjoy-

ing popularity in Jordan now have nothing in common with Ayatollah Khomeini. One new deputy almost overstepped the limits of republicanism when he insisted on swearing allegiance to God as well as to king and country.

Sources close to the king, nevertheless, attribute the by-election results to frustration with Israel's refusal to halt settlement building on the West Bank.

"Reagan promised to put pressure on the Israelis to go ahead with what is called the peace process," one source said. "It is not seen as a peace process here. Fundamentalism offers clean solutions. If the Palestinian issue is not solved, people will opt for extremism."

Mohammed Milhim, mayor of the West Bank village of Hehul until he was expelled in 1980, concurs with the view that Israeli set-

tlement policy poses a threat to the stability of Jordan, although he does not believe that annexation of the territory by Israel would mean mass voluntary emigration by Palestinians. "We have lived with the nastiest occupation for 17 years and feel it is better to stay put if we can," he said.

But while he regards Jordan as "a long" and welcomes the recent political changes because "people are freer to express themselves than in other Arab states," he fears that, unless the Israelis comply with United Nations Security Council Resolution 242 of November 1967, and withdraw from the West Bank, the Palestinians living there will turn to extremism, and that, "because of the great intermingling of family ties," extremist sentiment will grow in Jordan.

Even the most experienced ob-

servers of Jordanian politics concede that it is not easy to gauge public opinion, although most agree that there was a general approval for the king's judgment that the United States was no longer an evenhanded mediator in the Arab-Israeli conflict. It is hard to assess to what extent Jordanians share the view of the fundamentalist Tarek Matarweh that "Israelis will never budge without war, although the speaker somewhat off the mark when he claimed that 'no politician will you that.'"

What is clear is that, if king permits more public debate, his aides say he will find that the West Bank will figure prominently in discussions, and the view of an educated but frustrated community will have increasing influence in the formulation of policy.

## Lack of Quality Control Blocks Government Hopes to Expand Agricultural Export

By Anne Counsell

AMMAN — Jordan's first two national development plans (focused on the Jordan Valley for initial large-scale agricultural growth, due to its favorable subtropical climate and available water for irrigation).

Plasticiculture, in the form of hot-houses, now covers more than 75 percent of the 42,000 hectares (103,740 acres) of agricultural land in the valley. The introduction of plasticiculture, the availability of soft loans from the Agriculture Credit Corp. (ACC), the supply of such things as fertilizers and seeds from the Jordan Cooperatives Organization (JCO) and the Jordan Valley Farmers Association (JVFA), as well as technical advice on soil fumigation and drip irrigation have all contributed to large increases in vegetable production. This rose from 317,000 tons in 1973 to 759,000 tons in 1983, and a further

25-percent increase is expected by 1990.

Salem al-Lawzi, undersecretary for agriculture, describes this agricultural development during the last decade as "upside down." He said that "an enormous increase in production has not been completed by a corresponding development of marketing and previously unchallenged export outlets to Syria and the Gulf are being taken over by low-cost suppliers such as Turkey and Greece."

With vital markets becoming more quality conscious, Jordan's weakness as an exporter has been the lack of quality control. An attempt to introduce the grading of produce began in the late 1970s with a government decision to establish marketing centers and processing plants in the Jordan Valley. In March 1983, the Jordan Processing and Marketing Firm, capitalized at 17 million dinars, with government and public-sector

corporations owning 51 percent of the shares, was established to regulate agribusiness. Although this unit is not yet fully operational, all produce is graded through the centers before leaving the valley, and export outlets to Europe are being investigated. However, many problems remain, notably the farmers' traditional tendency to grow tomatoes, cucumbers and aubergines, resulting in severe gluts and in losses for the farmers.

According to Sami Sunna of the ACC, one-third of the area currently planted with tomatoes should be used for the cultivation of potatoes and onions, which cost 5.6 million dinars to import in 1982. Crop diversification is beginning slowly with the aid of research and extension stations located in the valley.

Although economically important, the Jordan Valley represents less than 1 percent of the country's land surface. Until recently, the rain-fed steppe and range areas had

remained largely underdeveloped due to the high risks involved, the uncertain rainfall and the investment required. With a declining contribution of agriculture to the gross domestic product, dropping from 20 percent in the 1960s to 6 percent in 1981, an increasing loss of land through desertification and a government policy to improve food security, more attention has been focused on the rain-fed areas, with several long-term projects included in the current five-year plan (1981-1985).

Wheat is Jordan's staple food, accounting for 54 percent of daily calorie intake, but the area available for cultivation is limited by topography, land fragmentation and annual precipitation. The Wheat Improvement Program, operated by the Ministry of Agriculture and the JCO with financial and technical assistance from the International Fund for Agricultural Development (IFAD), the Unit-

ed Nations Food and Agriculture Organization (FAO) and the West German Agency for Technical Cooperation (GTZ), expects to increase wheat yields in the available area through improved cultivation techniques. Two machinery stations now provide seed drills, chisel ploughs, treated seed and mechanical harvesters as well as advice on time of planting, spraying and use of fertilizers.

Attempts are also being made to develop mixed farming in the highlands by integrating forage/fodder crops into the cereal rotation. Self-regenerating leguminous medic forage and fodder vetches in the rotation are encouraging cereal farmers to start their own sheep flocks.

The national flock of about one million sheep, previously a neglected asset, is gradually being built up through breeding, rearing and fattening programs, slowly replacing the traditional rangeland rearing

system with semi-intensive rearing farms. Jordan now produces less than 30 percent of its red-meat requirements, but plans are under way to establish a public shareholding company in cooperation with the private sector to produce about 2,000 tons of red meat annually. Approximately 300,000 lambs, half of them imported, were fattened last year as part of the program.

Concurrent with the sheep projects is a range and management program operated by the JCO with assistance from the World Food Program and the FAO. Last year 700 hectares (1,729 acres) were planted with Atriplex shrubs for future grazing, and a proposed extension of the project will bring another 5,500 hectares under Atriplex by 1986. However, as range-land is publicly owned and grazing rights are communal the problem of overgrazing and depletion remains, especially in drought years. Little success has been achieved

in increasing beef and dairy production as imported beef prices are competitive and local fodder production is low. Also, the large quantities of imported low-cost skimmed milk make the dairy industry a risky business.

The major development in the cool climate of the highlands has been poultry farming. A poultry improvement program of research, veterinary services and loans to farmers over the last 16 years has resulted in almost total self-sufficiency in eggs, poultry meat and breeding hens. Table eggs are the healthiest poultry subsector, and laying hens are bulk-fed under battery conditions in medium to large farms, mostly holding 10,000 to 30,000 birds.

Exports to Iraq, through a government-run egg cooperative, reached 63 million eggs in 1982. The broiler industry is less stable due to a lack of large-scale freezing facilities and below-capacity pro-

duction resulting in a shell of approximately six million a year, which are imported.

Fruit and olive trees along grown on a large scale as part of the revitalized Highland Development Project operated by the Wind the Ministry of Agriculture (five percent of the targeted 900 hectares has been reaped through terracing and plowing, benefiting nearly 6,000 families owning small areas of land).

A project to develop the rugged escarpment area, defaced and exposed to erosion, will see an area of 83,000 hectares, with fruit trees and shrubs to lower catchment region. Still, pilot stage, the project is expected to go for seven years at an estimated cost of 30 million dinars and improve the area through agribusiness and cultivation in pace with the land capability.

## Manufacturing and Mining Consolidating Development Progress of a Decade

By Philip Robins

AMMAN — Rocked by a depressed local and regional market and with world prices for mineral exports still in a trough, Jordan's manufacturing and mining sectors are aiming at consolidating the considerable industrial development achieved during the last 10 years.

Jawad Anani, the recently appointed minister of industry, trade and tourism, summarizes the government's task in this respect as "holding economic activity at its present level while maintaining the psychological posture of industry."

Nowhere has this dual objective faced a more difficult time than in the area of the heavy, extractive industries.

Jordan's development plans have sought to exploit the country's few natural resources to the full, and in so doing to lay the foundations of a commercially viable industrial base.

However, these projects have begun to mature at a time when world demand has badly dropped. The \$400-million diatomaceous fertilizer plant on the Red Sea coast, for example, has seen the price of its end product fall 43 percent since the original feasibility study was completed.

The factory has the capacity to turn out 700,000 metric tons a year of high-grade fertilizer but its target of full production by 1985 appears in jeopardy because, despite its good location for a primarily Asian market, the continued lack

of funds in the developing world is likely to keep demand suppressed.

Problems of morale have started to afflict the potash works at the Dead Sea, which, having been completed on time and within its \$450-million budget, was regarded as one of the success stories of Jordan.

The resignation of its director at the beginning of the year, followed by management recriminations and doubts as to whether the expected capacity of 1.2 million tons a year can be reached without a further \$45-million investment, has slightly soured what remains a basically sound project, experts said.

But gloom is not all-pervasive in the sector; the phosphates company announced in April a 60-percent increase in profits, to almost \$25 million last year.

With sales having increased only slightly, it was a reduction in production costs that resulted in the higher return. Even so, persistent marketing efforts, combined with recent government policy to pay part of the foreign contracts in phosphates, should put the compa-

ny in a good position to meet its target output of 6.4 million tons this year.

Another large, prestige industry already producing a net return with the 2.2-million-ton capacity factory at Fuhes registering a profit of more than \$13 million between April and December 1983. A further planned investment of \$120 million to increase capacity by almost half has been indefinitely frozen, however, because of the slump in domestic and regional demand.

Such a situation does not bode well for a second cement plant, which began commercial production in April. But a contract to sell the first 150,000 tons produced to a Saudi Arabian firm has at least given the \$224-million factory some breathing space.

The latest of Jordan's big five industries to have been lavished with investment is the petroleum refinery, which recently had a \$240-million extension built. Now processing close to 4.2 million tons a year of crude oil, the refinery is

estimated to be able to satisfy almost all the kingdom's demand for petroleum products until 1990.

Even more susceptible to external economic forces has been the local manufacturing sector. The Central Bank of Jordan's industrial production index registered a net increase of 3.3 percent and 4.9 percent in 1982 and 1983, respectively, compared with 19.5 percent and 16.5 percent in the previous two years.

The main reason for this sudden decline was the Iraqi market, which, after absorbing almost 36 percent of Jordan's exports in 1982, all but evaporated the following year.

Having expanded by as much as 200 percent to 300 percent to exploit their northeastern neighbor's market, Jordanian companies operating in the construction, consumer durables, land transport and insurance fields, in particular, found themselves hopelessly over-stretched. Central government credit, the purchase of stocks and the selective awards of contracts,

however, averted the expected rash of bankruptcies.

Since then the state has been more active in trying to change the ephemeral nature of private industry, but, as officials are at pains to point out, without altering Jordan's essentially free-enterprise system.

Thus, for instance, the juggling of customs duty this year has sought to lower tariffs on materials used in local value-added industries, while duty has been raised on potential end-product competitors.

The trade and industry ministry has, in turn, been active on the marketing side by concluding trade agreements with Tunisia and North Yemen, while Djibouti, Ethiopia and Somalia are set to follow suit. The ministry has also given notice that it will more vigorously use its control of industrial licenses to force company mergers where it believes a particular sector can be strengthened.

A new law encouraging investment has recently been added to the books, giving greater incentives to attract foreign capital to the kingdom and to diffuse industrial concentrations geographically.

This, combined with the establishment of free zones at Zarqa and Aqaba and the opening of the country's first fully integrated industrial estate at Sahab, means Jordan is fast becoming a credible regional center for foreign firms. Management and administrative inexperience, according to diplomatic missions, puts the only damper on the attractiveness of such infrastructure developments.

Local industry, although greatly favoring joint ventures as a way of absorbing new skills from the developed world, is more self-reliant than it was even five years ago.

The growth of a mature and well-tuned stock exchange has started to channel local savings into more productive fields, while institutions, such as the Industrial Development Bank, and the introduction of bond issues and bank syndicated loans have begun to provide finance for small and large companies respectively.

Great emphasis has been placed as well on setting up a system of vocational and technical training to replace many of the semi-skilled foreign workers while steering

young Jordanians away from passive schooling and into more practical forms of higher education.

All this contributes, as Mr. Anani put it, to the creation of an industrial sector run on a rational economic basis capable of taking full advantage of the next boom.

Whether Jordan is a enough base to give the once economies of scale to compete the rise of similar structures neighboring states remains, however, to be seen.

## Economy Grows Despite Recession

(Continued From Previous Page)

small current-account surplus of million dinars was registered last year, replacing the still substantial inflows of aid, remittances, loans and trade income. This current inflow of funds is partly due to the fact that money traditionally gravitates to safe haven, in Jordan case represented by political stability and a growing economy. It is also spurred by prudent management of the economy and productive use of foreign loans, and willingness of the Jordanian authorities (slow development recurring expenditures to keep within the means).

The cautious, even conservative reserve policies of the Central Bank have maintained the dinar as a credible currency, backed by total government gold and foreign-exchange reserves of 488 million dinars. The government has had to draw down just 80 million dinars of its foreign-exchange reserves in the last year for the first time in many years, and is in the process of returning to the Euromarkets for the second consecutive year for an other medium-term loan of at least \$200 million.

The country's international creditworthiness remains high, and the new loan expected to have the same good track as last year's half a percent over labor, the London interbank offered rate.

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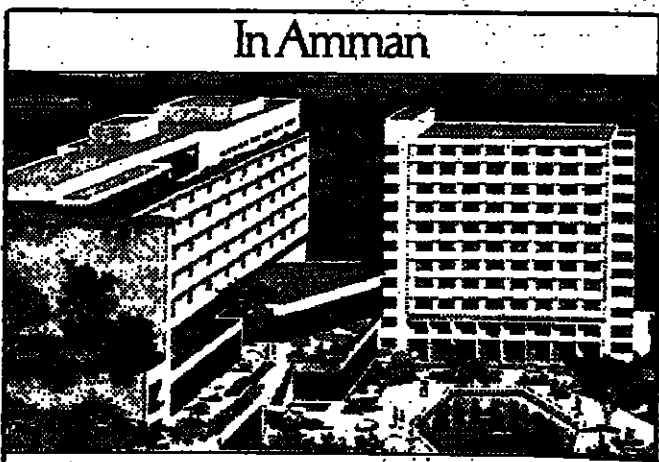


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## JORDAN

## Banking, Financial Sectors Maintaining Healthy Growth

AMMAN — Responding to the heightened demand of local borrowers and the effects of the 2-year-old slowdown in the economy, Jordanian banks and financial institutions continue to grow at a healthy clip while facing increasing government regulation.

The Jordanian banking and finance sector has filled in considerably in the oil-fueled boom decade since 1971, growing at an average annual rate of more than 20 percent for most of that period. Jordanian and foreign commercial banks nearly doubled to reach 16 today, and they have been joined by newcomers that include five finance companies, two investment banks, two Islamic-banking institutions and four savings-and-loan-type institutions. A government moratorium on issuing licenses for new banks is expected to remain in force for several more years in order to give the many new financial institutions a chance to establish themselves firmly in the market.

The bank expansion of the banking system in the boom years has been replaced by slightly slower growth dictated by more prudent lending to local and foreign borrowers operating in a recessionary economy. The performance of the last two years suggests that the local banking system has both the capacity and the willingness to meet the demand for capital that was largely created by the sudden \$625-million annual shortfall in official aid in 1982 and 1983.

In the last year, commercial bank deposits increased by 16 percent to reach 1.38 billion dinars, and "banks' outstanding loans increased by the same ratio to reach

1.053 billion dinars. This solid growth has reflected the continuing rise in the economy's total money supply, which rose by 14 percent in the last year to reach 1.616 billion dinars.

Demand for loans remains firm, but the ability of the banking system to keep up with the economy's demand for fresh capital will be seriously tested, as a result of several new government regulations. These include raising the minimum capital of commercial banks to 5 million dinars, transforming the equity distribution of foreign banks operating in Jordan so that they are 51-percent owned by Jordanian shareholders, requiring all commercial banks to invest 15 percent of their capital and reserves in the shares of public shareholding companies, and requiring the 35 insurance companies operating in Jordan to raise their capital to a minimum of 1 million dinars by the end of this year.

All this new demand for capital comes on top of already strong demand for the locally syndicated dinar loans and corporate bond issues that have become such an important new element in the financial system since they were first introduced five years ago. By February of this year, outstanding syndicated loans totaled 107 million dinars and outstanding corporate bonds totaled 62 million dinars.

The Central Bank continues to encourage dinar-denominated syndicated loans and bonds by rediscounting banks' participations in such credits. This partly explains the recent popularity of "package" deals in which corporations typically finance their capital needs by a com-

bination of a locally syndicated loan and bond issue, jointly underwritten, managed and provided by a group of local banks and finance companies. Such local dinar borrowings are often complemented by small foreign-currency credits abroad.

Commercial bankers and the Central Bank both estimate that the market will have to meet demand for some 100 million dinars in fresh capital by the end of this year, roughly half for bonds and syndications and the other half for new share issues and equity restructuring operations.

The governor of the Central Bank, Mohammad Said Nabulsi, said in an interview earlier this month that the government is already studying the most appropriate measures to deal with the anticipated liquidity squeeze.

The government has already asked several newly established financial institutions and large industrial companies to postpone calling in the balance of their shareholders' equity payments, in a bid to spread out the market's demand for capital over the coming two years.

The Central Bank is also likely to adjust maximum interest rates payable on local dinar savings and current accounts in a bid to help banks attract longer-term funds.

One of the chronic vulnerabilities of the Jordanian banks is their need to fund medium- and long-term lending with short-term deposits. Banks often have to resort to the fragile interbank market for short-term, relatively expensive funds at 9-percent interest. Because banks can lend to foreign companies at a maximum of 14 percent but to local firms at just 10.25 percent, this has encouraged some bankers to favor loans to foreign companies over Jordanian ones — or precisely the wrong order of priorities during a recessionary period, according to some commercial bankers.

A new venture being discussed in the banking community is the establishment of an independent institution, jointly owned by government and private banks, to guarantee small deposits, small business loans and export credits. The Central Bank, keen to promote exports, already offers a concessionary discount rate for commercial banks' export financing, but the additional export guarantee corporation is seen as an important new element in Jordan's crucial plans to increase exports and develop new markets.

— RAMI G. KHOURI



The Khazneh at Petra, left; crowds at last year's festival at Jerash, right.

## Tourism Promotion Campaign Producing Results

PETRA — For such a small country, Jordan has a surprising wealth of tourist attractions.

Among the treasures are fabulous antiquities sites, notably Roman-Byzantine Jerash and the Nabataean Petra, and many other archaeological areas spanning the last 5,000 years of human activity. The warm, seaside winter resort of Aqaba, with its world-famous coral reefs so easily accessible to divers and snorkelers; the Jordan Valley and Dead Sea area (at 400 meters below sea level, the lowest spot on Earth); the particular allure of desert tourism; several thermal water springs; fine weather almost throughout the year, and a tradition of hospitality and friendliness that traces its origins, like the stones of the land, to the early days of recorded history.

Jordan has never fully exploited its tourism potential, primarily because of regional political problems (notably the occasional war), previously inadequate tourist facilities, and more pressing priorities in other fields. During the last decade, however, the gaps in the tourism infrastructure have been filled in, and the country is well-positioned for sustained growth in this traditionally erratic and sensitive sector.

A more aggressive international marketing strategy undertaken in the last two years by the combined forces of the Ministry of Tourism,

the national carrier, Alia, the Royal Jordanian Airline, and a handful of the country's 200 travel agents and tour operators, has started to show results.

Many leading West European and North American tour operators now offer Jordan as a destination in itself or, more commonly and in line with the national strategy, as part of a package tour that includes visits to the religiously significant areas of Jerusalem and Bethlehem and/or Egypt.

The average stay of European tourists has started to increase and is nearly six nights. But North American tourists still spend just two to three nights en route to the religious sites.

The global economic recession and the news of conflicts in Lebanon and the Gulf translated into a slight decrease in visitors to Jordan last year (1.717 million, against 1.977 million in 1982). But this figure includes 750,000 Egyptians, mostly laborers in search of work. The reduced number of visitors meant unchanged tourism income of about \$510 million last year, representing the third consecutive year of flat earnings.

The situation is not expected to change very much this year, with the same number of tourists anticipated as in 1983. But extensive (mostly private) investments in ho-

tels, travel agencies, restaurants, leisure facilities and transport during the last decade have put in place an infrastructure that is capable of handling a considerably larger number of visitors. More aggressive and professional marketing efforts by the private and public sectors are expected to draw these new visitors in the coming years, especially if the broader Middle East area remains relatively quiet.

The most significant new facilities are the Queen Alia International Airport (from where Alia's network now reaches west to Los Angeles and east to Singapore), and a handful of new international hotels that have more than doubled Amman's four- and five-star hotel capacity to more than 10,000 beds. The new four-star Petra Forum Hotel at Petra has set a high standard for such out-of-the-way facilities and should significantly add to the attractions of Petra as a tourist destination. It has also quickly taught other Jordanian hoteliers the much-needed lesson that, if sustained new marketing and promotion techniques are combined with competitive pricing, quality service and innovative ideas and facilities on the ground, new tourist markets for Jordan can be stimulated or even created.

Jordan's archaeological sites remain its strongest drawing card, and they are being augmented ev-

ery year with discoveries of new sites or the excavation and restoration of existing antiquities. About 30 different archaeological excavations or surveys take place every year, mostly by foreign teams working in cooperation with the Jordanian Department of Antiquities and one of the several foreign archaeological institutes that have permanent offices in Jordan (the American Center of Oriental Research, the British Institute at Amman for Archaeology and History, and German, French and Spanish institutes). The director of the Department of Antiquities, Adnan Hadidi, has the difficult task of allocating limited financial and human resources among competing demands, such as funding new digs or surveys, restoring and conserving exposed monuments or supporting existing projects. Limited funding has recently curtailed some of the excavation work of the Jerash International Project, although restoration work continues by French, English, Italian, Australian, Polish, Spanish and Jordanian teams working in different parts of the city.

The continued exposure of Jordan's rich archaeological heritage should dovetail nicely with the Tourism Ministry's overall strategy of targeting its marketing campaigns at more specialized groups, such as history buffs, desert lovers, Crusader castle fans or water-

sports enthusiasts. Jordan's antiquities are noteworthy not only because they are so well preserved and so easily accessible but also because they span virtually every period of human civilization, including important sites from the Stone, Bronze and Iron Ages, the Hellenistic, Nabataean, Roman and Byzantine periods and the Islamic period starting with the Umayyads in the 7th century A.D. Crusader castles, Roman legionary fortresses, Arab mountaintop forts, Umayyad desert bath and farming complexes, Roman temples, Byzantine churches, Nabataean sanctuaries and a string of biblical cities along the Kings' Highway are just some of the things Jordan offers that remain little known to most of the international tourism industry.

For the foreseeable future, Jordan will continue to market itself both as the tourist's gateway to Middle East religious sights and as the businessman's gateway to the rich markets of the Gulf. A new effort is being launched to take advantage of the ample local hotel facilities during the off-season to attract conference and convention business, through which groups of hundreds of Arab and foreign visitors could do their business and take a day or two to enjoy the pleasures of roaming around a country that has played host to humanity for the last half a million years.

— RAMI G. KHOURI

### CONTRIBUTORS

JOHN K. COOLEY, a London-based ABC News correspondent, covered the Arab world for many years as correspondent for the Christian Science Monitor.



















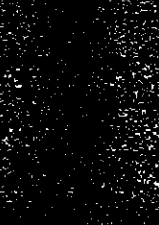
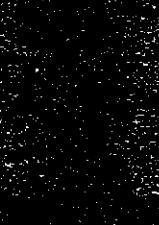
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PHILIP ROBINS is home news editor of the *Jordan Times*. He is also a frequent contributor to the *Guardian* and the *British Broadcasting Corp.*

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U.S. Stocks Report,  
Money Supply, Page 6

FRIDAY, JUNE 1, 1984

## TECHNOLOGY

Computers and Software:  
The Incompatibility FactorBy DAVID E. SANGER  
New York Times Service

NEW YORK — Computer retailers like to say these days that "software drives the market." What they mean is that many of their customers could not care less about the computer they buy, but are primarily interested in whether the programs designed for it will keep their books, churn out their letters or foresee their business problems.

Although software fanatics rejoice at anything that is faster, cheaper and quicker, most learn quickly that it is impossible to divorce a program from the computer that is designed to run it. Now, just as some of the most complex and powerful programs yet devised for microcomputers are poised to hit the market, many designers say they have run into something of a brick wall.

"There are just not going to be any major technical improvements made in software until the next big change in the hardware itself," predicts David Cole, the president and chief executive of Ashton-Tate, a software house in Culver City, California, that many say is taking a leading role in the industry.

Many of his competitors agree. Despite the apparent glut of new software products on the market — for example, no less than six companies last week proclaimed that their latest offerings ushered in "the dawn of a new era" in software technology — true advances have been few.

The most notable has been the successful design of a second generation of integrated program, like Ashton-Tate's Framework, Lotus Development Corp.'s Symphony and Quarterdeck Office System's Desk, which permit a microcomputer user to perform a host of tasks at once. With such packages, individual functions that once came in separate programs, like word processing or spreadsheets, are now contained on a single disk.

The beauty of integrated packages is that all of the functions in a program can be used at once. Thus, it becomes relatively easy, for example, to merge a pie chart or a statistical table into a letter. And the user can monitor his progress through "windows," or boxes that allow him to see the text of the letter in one corner of the screen, the spreadsheet in another and the pie chart in yet a third.

Such complex programs, however, tax even some of the more powerful microcomputers currently on the market. "The problem is that we have about built to the limits of the IBM PC," explains Jonathan M. Seche, vice president-research and development at Lotus, and one of the architects of Symphony.

These limits take three forms. The first has to do with the "addressable memory" of the computer; that is, the size of the internal memory of a computer that can deal with a complex program. Both Symphony and Desk, for example, take up 320,000 characters of memory — and more when individual applications programs, like word processors and spreadsheets, are added.

The second concern is the speed of the microprocessor. The chip at the heart of International Business Machines' and many other microcomputers is the Intel 8088, but what seemed unusually powerful when the computer was introduced three years ago is somewhat hum-drum today. In fact some companies are creating IBM-compatible computers, like Tandy Corp., have sacrificed some of that compatibility in order to use speedier members of the Intel microprocessor family.

And the third limitation concerns the graphics capabilities of the computer's monitor. "When you understand graphics, you understand why the Macintosh has been so successful," said Jeff Raikes, marketing manager for Microsoft Inc., referring to Apple Computer Inc.'s latest entry in the personal computer field. While the Macintosh has other limitations, its powerful Motorola 68000 microprocessor and other features have permitted Microsoft and others to design programs that vary the size and shape of type fonts on the screen, make it possible to draw small pictures and make it easier to skip from one window to another.

Most software executives seem convinced that computer hard-

## CURRENCY RATES

Late interbank rates on May 30/31, excluding fees.

Official fixings for Amsterdam, Brussels, Milan, Paris, New York rates at 4:00 p.m. EDT.

	U.S.	DM	FF	£	Yen	S.F.	Yen
Australian dollar	55.70	77.07	20.398	4.623	3.309	18.111	24.88
Belgian franc	23.75	3.762	3.762	1.418	1.418	4.995	72.10
British pound	1.6840	2.4800	67.25	201.24	241.25	30.22	74.82
Canadian dollar	1.2845	2.2795	2.2795	1.4800	1.4800	55.65	22.58
French franc	216.25	33.11	84.61	27.57	13.72	75.12	41.59
German mark	2.3633	3.1258	82.59	34.915	1.1335	73.32	48.94
Italian lira	1.8119	8.9271	23.254	4.684	1.2813	2.892	45.964
Japanese yen	1.6814	1.6718	1.6718	1.6718	1.6718	1.6718	1.6718

Source: Reuters. 1 Swiss franc = 1.2507 U.S. dollars.

(a) Commercial bank. (b) Amounts needed to buy one pound. (c) Amounts needed to buy one dollar. (d) Units of 100 (x) units of 1000 (y) units of 10000.

N.A.: not available.

## INTEREST RATES

## Eurocurrency Deposits

May 30/31

	1M	3M	6M	12M	15M	18M	21M	24M	27M	30M
10% - 11% 5% - 5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
11% - 12% 5.5% - 6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
12% - 13% 6% - 6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%
13% - 14% 6.5% - 7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%

Rates available to interbank deposits of \$1 million minimum (or equivalent).

## Key Money Rates

	Class	Prev.	Rate	Class	Prev.	Rate
Discount Rate	9	9	9	Bank Base Rate	9	9
Federal Funds	10 1/4	10 1/4	10 1/4	Call Money	9	9
Prime Rate	12 1/2	12 1/2	12 1/2	Friday Treasury Bill	9	9
Broker Loan Rate	11 1/2	11 1/2	11 1/2	3-month Interbank	9 1/2	9 1/2
Comm. Paper, 30-179 days	10 1/2	10 1/2	10 1/2	6-month Interbank	9 1/2	9 1/2
3-month Treasury Bills	9 1/2	9 1/2	9 1/2	9-month Interbank	9 1/2	9 1/2
6-month Treasury Bills	10 1/2	10 1/2	10 1/2	12-month Interbank	9 1/2	9 1/2
CD's 28-99 days	10 1/2	10 1/2	10 1/2	15-month Interbank	9 1/2	9 1/2
CD's 100-364 days	10 1/2	10 1/2	10 1/2	18-month Interbank	9 1/2	9 1/2

Source: Commercial Bank of Tokyo, Ltd.

100-day T-bill = 10.125%.

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Breakup  
Of Phibro  
AbandonedFinancing Seen  
Among Obstacles

The Associated Press

NEW YORK — Phibro-Salomon Inc. said Thursday it had abandoned a recently announced proposal to break up the three-year-old marriage of its large investment banking and commodities-trading businesses.

The company would not elaborate on its terse announcement on the scrapping of the proposed split, but an analyst said financing problems appeared to be among the obstacles.

In a two-sentence statement on May 22, Phibro-Salomon said it was considering the sale of all of its Phibro Brothers commodities trading business, except oil, to a new company that would be organized by the management and employees of Phibro Brothers. It hired the investment firm of Lazard Freres & Co. to study the plan.

In a one-sentence statement Thursday, Phibro-Salomon said it terminated the study of the proposed sale. It later said no other proposal is in the works.

J. Clarence Morrison, a first vice president at Dean Witter Reynolds Inc., who follows Phibro-Salomon, said he did not expect the proposal to be revived in the foreseeable future.

But the short-lived proposal for selling part of the assets of Phibro-Salomon has not changed his assessment of the business. "It remains a solid company," Mr. Morrison said.

Phibro-Salomon was formed in September 1981 through the \$550-million merger of Salomon Brothers, a prominent investment banking and securities firm, and Phibro Corp., a major international commodities trader.

David Tendler, the co-chairman and chief executive of Phibro-Salomon did not return a telephone call.

Mr. Morrison said there were a number of financial obstacles that scuttled the proposal. He said that based on his knowledge of the company and other indications, the offer for the commodities business "was insufficient by a very wide margin" for a business he valued at between \$1.25 billion and \$2.5 billion.

Phibro-Salomon's stock rose \$1.875 Thursday on the New York Stock Exchange to close at \$24.75.

Mr. Morrison also said the employee group seeking to buy the commodities business appeared to be unable to raise enough money to both complete the purchase and maintain an adequate line of credit to support such a trading venture.

He also questioned whether a major international commodity business could be successful without handling petroleum contracts. He added that there appeared to be problems of transferring licenses for commodities dealing in foreign countries and for the rights to foreign tax credits built up by Phibro-Salomon.

Last year, Phibro-Salomon earned \$470 million on revenue of \$29.8 billion. Phibro Brothers has been a major contributor to revenue while Salomon Brothers has been the profit leader.

[Reuters said that there was some speculation linking the decision to a reported board meeting Wednesday of South African-based Minerals & Resources Co., a unit of Anglo-American Corp. of London and a major holder of Phibro-Salomon stock. Some observers believe that executives of Minerals & Resources were opposed to the breakup.]

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## Buyouts Can Ease Executives' Lives

Houdaille Chief  
Says He Doesn't  
Regret MoveBy Daniel F. Cuff  
New York Times Service

NEW YORK — He can close an automobile-bumper plant without a lot of hassle. He can manage for cash flow instead of earnings. And when he calls his stockholders meeting he faces no corporate gaffes but 50 shareholders whom he calls "quite sophisticated," including representatives of the lenders — banks, insurance companies and pension funds.

In many ways, life has been more pleasant since Phillip A. O'Reilly headed a group that took Houdaille Industries Inc. private in 1979 in a \$355-million agreement that he called "the first of the very large leveraged buyouts."

He says without hesitation that he would do it again. "I'm not at all surprised at the momentum gathering as far as leveraged buyouts are concerned," he said. However, the pace has come so fast that some storm warnings are flying in the financial community that some buyouts may be too high priced and too thinly cobbled together by inexperienced new players.

To be sure, it has not been all roses for the company, which is based in Fort Lauderdale, Florida. Public or private, Houdaille, which makes machine tools, pumps and sealing devices, has suffered with the rest of the machine-tool industry from increasing imports. In 1982 it unsuccessfully petitioned the Reagan administration to deny investment tax credits to U.S. companies that buy Japanese machine tools.

A leveraged buyout involves buying a company by borrowing most of the money, with the plan supported by the company's own assets and future cash flow. These transactions have greatly expanded in number and size in the last few years, with prices on some proposed buyouts now well over \$2 billion.

One fear in leveraged buyouts is that the company will not generate enough cash to pay off its debts in bad times. Mr. O'Reilly, while declining to give numbers,



Phillip A. O'Reilly, Houdaille Industries president

said the company "has not had any problems in servicing our debt," even through the recent recession. The debt is scheduled for repayment far into the 1990s, he said.

The lenders include banks, insurance companies and pension funds. One of the institutional lenders, which did not wish to be identified, said the Houdaille transaction, from the viewpoint of its equity investment, had turned out to be "an O.K., middle-of-the-road deal — we've had better and we've had worse."

Mr. O'Reilly said he knew little about leveraged buyouts when Wall Street executives called one day in 1979 with the proposal. "We asked them to

(Continued on Page 17, Col. 1)

## Bear Market Undercuts Reuters Sale

By Bob Hagerty  
International Herald Tribune

LONDON — The worldwide stock market plunge is forcing Reuters Holdings PLC to scale back its hopes for proceeds from next week's sale of shares in London and New York. The bear market also is prompting Cadbury Schweppes PLC to delay its planned share sale in New York.

Investment banking advisers to Reuters announced Thursday that they expect the price to fall into a range of about 195 to 210 pence (\$2.71 to \$2.91) a share, depending on market conditions Monday. Two weeks ago, the banks forecast a range of 200 to 235 pence.

The weak market aside, some analysts contend that the Reuters sale has been set back by an unenthusiastic response from U.S. investors.

The banks plan to announce the final price and begin the New York offering Monday. In Britain, investors are required to deliver their tenders for the shares Friday. The minimum tendering price is 180 pence a share, and priority goes to the higher bidders in case of oversubscription. Based on the tendering, the advisers are to announce next week the "striking price," at which the shares will be sold in London.

Thursday's pricing indication was designed to give the British investors a last-minute feel for demand in New York and, thus, the likely striking price.

The owners of Reuters, a news and financial data service, are selling as many as 114 million shares, or about 28 percent of the company. Based on Thursday's indication, the sale will raise £220 million and £240 million.

About half of the shares are on offer in each market. Most of the proceeds will go to British newspaper companies selling shares in Reuters.

Many British insurance companies and pension funds have said they plan to boycott the Reuters offering because they object to the company's complex share structure, which ensures that the newspapers retain control.

Cadbury, a London-based chocolate and soft-drinks maker, cited "unsettled conditions" in the financial markets for its decision to delay a sale of shares in the United States.

The company has said it plans to raise at least \$75 million through an issue of 40 million shares in the form of American Depositary Receipts. (Such receipts represent underlying shares held in the vault of a bank.) Cadbury has reserved the option of raising the offer to as high as 60 million shares.

"Interest in the proposed offering has been widespread and encouraging," Cadbury said. "and it is intended to proceed with the offering when the financial markets are more settled."

The White House deputy press secretary, Larry M. Speakes, said

Noting that recent gains in the indicators index have been smaller than during many months last year, Mr. Baldrige said, "After a year and one half of vigorous rebound, smaller gains in the Index of Leading Indicators and in many other economic statistics are a normal development signaling a more moderate, sustainable growth period ahead."

The report also said the March index had declined by 0.1 percent, rather than the relatively sharp 1.1 percent first estimated.

The larger March decrease had been interpreted by some analysts as a sign the U.S. economic recovery was about to slow drastically. But the moderate April increase was likely to be seen as evidence that a slowdown, though still expected, was not likely to be abrupt.

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## BUSINESS ROUNDUP

## Revlon Inc. Spurns Buyout Group

**NEW YORK** — Revlon Inc., one of the largest cosmetics producers in the United States, said Thursday it declined to begin discussions with an investment group that has indicated it may be interested in making a takeover offer.

The company said it appeared the group "did not have the financial capability to carry out such a transaction."

The investor group was said to have included former Revlon executives.

Revlon's chairman, Martin Revson, one of the founders of the company, a Revlon spokesman said.

Mr. Revson, who is a director at Del Laboratories, a drug, cosmetics and toiletries company in Farmingdale, New York, could not be reached for comment.

## Waterford Glass, Carroll Industries Begin Discussions on Irish Merger

**DUBLIN** — Waterford Glass Group Ltd. and Carroll Industries Ltd. said Thursday that they are discussing a possible merger.

It would be the biggest merger in Irish history, creating a company with annual sales of 444 million Irish pounds (\$498 million) and profits of 20 million pounds.

Spokesmen for the companies said the discussions "may lead to some form of association," but were at a very early stage. Financial analysts said the two companies appeared to rule out a straight takeover by Carroll.

Waterford had annual sales of 212 million pounds and Carroll's sales were 232 million pounds.

Waterford Glass has grown into one of the largest producers of hand-made crystal in the world and one of Ireland's leading exporters. But the company, which says its domestic sales are suffering from high sales tax and reduced consumer spending, announced in March it was interested in a takeover offer.

Carroll has interests in tobacco, pharmaceuticals, paper and packaging. It is partly owned by Rothmans International PLC, the tobacco company.

## COMPANY NOTES

**Atlas Van Lines**, based in Evansville, Indiana, said its board unanimously rejected the previously announced tender offer by Contrans Acquisition for 1,752,000 Atlas shares. The board called the offer inadequate and told its investment bankers, Alex Brown & Sons Inc., to seek alternative offers for Atlas shares outstanding.

**Bowater Corp. PLC** said that the separation of its U.S. forest products business from the rest of the activities of the British-based company is expected to be completed by July 23, conditional on approval by shareholders at a June 22 meeting and by the British high court. Under the plan, existing Bowater shareholders will become shareholders in two new companies, Bowater Industries PLC and Bowater Inc.

**Cheung Kong Holdings Ltd.** said that its increased holding in Hutchison Whampoa Ltd. to 40 percent from 35.1 percent at the end of 1983. The increase mainly results from a Hutchison bonus payment in cash and shares, which represents a contribution of about 700 million Hong Kong dollars (\$89.6 million) to the Hong-Kong based Cheung Kong.

**Kroger Co.**, the Cincinnati-based grocery and drug store chain, expects first half sales and profits to compare favorably with last year because first quarter sales have continued in the second quarter. Results for the first six months ended June 30, aided by company-wide cost cutting measures, should exceed last year's sales of \$6.9 billion and profits of \$56.8 million. All segments of the company are contributing to the improving results, including Kroger food stores, Dillards, Cos., Kroger Manufacturing and SuperK.

**Nederlandse Scheepvaart Maatschappij**, as expected, has been declared bankrupt by a Dutch financial court in Amsterdam. This follows a recent application for liquidation filed by the Amsterdam

shipyard's receivers after attempts by two of NSM's shareholders, the city of Amsterdam and the Province of North Holland, failed to find a way of keeping the yard in business. The court's decision precedes a meeting of creditors that was scheduled to discuss the question of liquidation on June 5.

**Philips Kommunikations Industrie AG**, based in Nuremberg, West Germany, expects its net profit and ordinary dividend this year to match 1983 levels. But Gert Lorenz, the managing board chairman of the company, 70 percent owned by NV Philips, said 1984 sales growth will not match 1983's 16 percent rise to 1.31 billion Deutsche marks (\$479.7 million). He said sales in the first four months rose by more than 11 percent from the year ago period, slightly better than the average for the West German information technology sector.

**Royal Dutch/Shell Group** said its \$5.5-billion offer for the Shell Oil Co. stock did not already own has tentatively increased its stake to 94.7 percent of the shares in the eighth-largest U.S. oil company. Royal Dutch-Shell, which made the \$5.5-billion bid through its SPNV Holdings Inc. subsidiary, also did not extend the offer, which expired Wednesday after two previous extensions. The offer remains in doubt because of a Delaware court order that allows Shell stockholders who have accepted the offer a chance to back out of the deal once they receive a revised purchase offer from Morgan Stanley & Co., the investment adviser to Royal Dutch/Shell. That revised offer has yet to be completed.

**Ultra PLC** expects its recently completed capital spending program to increase profits by 1985 to 1986. But results from the \$10-million Canadian dollar (\$29-million) modernization program at Ultra's Quebec refinery have been disappointing.

## Holders Have Discussions on Wackenhut Sale

**CORAL GABLES, Florida** — Wackenhut Corp., a large security organization, said Thursday its majority shareholders are talking with a major investor group about taking the company private by buying all stock at \$24 a share.

Wackenhut has 3,859,000 shares of stock outstanding, making the potential deal worth more than \$92.6 million, the company said.

Company officials said the majority shareholders have just entered into a discussion with the investors, whom it would not identify. Any proposal would require the approval of Wackenhut's board of directors and its shareholders. A special board meeting has been set for Saturday, Wackenhut said.

Officials said the proposed private company would continue to be controlled by the present majority shareholders — the family of George R. Wackenhut, which beneficially owns 53.3 percent of the common stock.

## U.S. Retailers Report Gains In May Sales

**NEW YORK** — Major retailers in the United States posted strong sales gains in May, compared with a year earlier, the stores reported Thursday.

But analysts said the increases, following months of a strong consumer rebound from the recession, came at the expense of heavy promotions.

Among the big chains, Sears, Roebuck & Co., the largest, said May sales rose 6.1 percent from a year earlier. K. mart Corp., No. 2, had a 9.7-percent increase; J.C. Penney Co., No. 3, had a store and catalog sales gain of 19.8 percent, and the No. 4, Federated Department Stores Inc., had an 11.9-percent increase.

The major chains reported similar gains for their fiscal year to date, which begins in February after the post-Christmas sales and cleanup.

Jeffrey Fieger, who follows the retail industry for Merrill Lynch, said the increases were "reasonably healthy" over 1983, which was a strong selling period in itself. But he said they "reflected a strong promotional posture" by retailers, forced to entice customers with sales on most lines of merchandise.

Sears said May sales totaled \$1.999 billion, up from \$1.885 billion. For the year to date, sales were \$7.742 billion, up 6.6 percent from \$7.260 billion.

K. mart reported May sales of \$1.609 billion, up from \$1.466 billion. Since February, sales totaled \$5.787 billion, up 7.1 percent from \$5.401 billion.

Penney said May sales were \$891 million, up from \$744 million. For the fiscal year, sales rose 17.8 percent to \$3.37 billion from \$2.86 billion.

Federated, which operates stores from Boston to San Francisco under various group names, said sales were \$689.8 million in May, up from \$616.6 million. Since February, Federated's overall sales were up 12 percent to \$2.728 billion from \$2.436 billion.

Regional and specialty-store chains reported similar gains.

Analysts said they expected the trend to generally continue throughout the year, but suggested that retailers probably will continue to resort to widespread promotions.

## Occidental Is Selling 15% Of Stake in North Sea Field

**NEW YORK** — Occidental Petroleum Corp. said Thursday that it had agreed to sell 15 percent of its interest in a British North Sea field for \$189 million.

The sale would include a purchase by Dow Chemical Co.'s Dow Chemical Ltd. of 5 percent, or \$62.3-million, stake in the field, it said.

Occidental said it accepted offers for interests in the Claymore Field at a price of \$12.6 million for each 1 percent interest.

Under a "proposed direct sale," Dow would buy a 5 percent interest in the field, which contained an estimated 220 million barrels of recoverable oil as of Dec. 31, 1983, Occidental said.

The sales subject to approval of the British energy secretary and the current participants in the Claymore Field, which is currently producing 107,000 barrels a day of oil.

Occidental said it would use the funds from the sale to meet future exploration and development expenditures in the North Sea.

Current participants in the Claymore Field are Occidental, 36.5 percent; Texaco Inc.'s Getty Oil (Britain) Ltd., 23.5 percent; Thomson North Sea Ltd., 20 percent; and Union Texas Petroleum Ltd., 20 percent.

Separately Thursday, Occidental signed an agreement valued at \$400 million for technical assistance in developing Hungarian oil and gas reserves, the official Hungarian news agency said. The news agency gave no further details.

## Atari Is Laying Off Hundreds In Its Middle Management

**SUNNYVALE, California** — Atari Inc., the computer-game company, which had a loss of about \$300 million last year, began laying off hundreds of middle-management workers this week to streamline the company and cut costs.

Estimates from industry sources of the number of workers being laid off ranged from 800 to 1,000, about half of the force at its corporate headquarters here. An Atari spokesman Wednesday refused to confirm how many workers would be laid off but he did say there were layoffs.

The layoffs came amid reports that NV Philips, the Dutch electronics and entertainment company, was negotiating to buy a stake in Atari. Philips is rumored to be making its investment contingent upon trimming the payroll, but Atari executives have refused to confirm or deny the Dutch concern's interest.

Atari's chairman, James Morgan, and Steven Ross, the chairman of Atari's parent company, Warner Communications Inc., last week gave credence to rumors of layoffs when they announced, separately, that major changes were being prepared for Atari.

At Warner's annual meeting in New York, Mr. Ross said "layers of management and the resulting bureaucracy... will be stripped away."

Mr. Morgan has said his goal is to cut overhead expenses to a quarter of what they were a year ago.

## Preussag Profit Rose 46% in '83

**HANNOVER, West Germany** — Preussag AG said Thursday that world group net income for 1983 rose 46 percent on a sales gain of 11 percent.

The minerals, petroleum and chemicals concern earned 135.9 million Deutsche marks (\$49.7 million) for the year, up from 93.3 million DM. Revenue rose 12.48 billion DM from 11.23 billion DM.

The company's chairman, Günther Sassmannshausen, said he expects 1984 results to equal or exceed last year's. He said results for the first quarter were higher than those of a year earlier, but did not give figures.

## Fed Governor Denies Plan for Curb On Loans for Corporate Takeovers

By Peter T. Kilborn  
New York Times Service

**WASHINGTON** — Henry C. Wallich, the Federal Reserve Board's senior governor, has denied that the Fed is considering putting controls on "nonproductive" lending — that is, bank loans that companies use to finance takeovers of other companies.

Rumors that the Fed might attempt to relieve pressure on interest rates by curbing such lending began circulating in financial markets earlier this week. Markets have been in turmoil in recent weeks because of rising rates and because of the near collapse of Continental Illinois National Bank & Trust Co. of Chicago earlier this month.

But Mr. Wallich suggested in an interview Wednesday, the rumor is pretty well old hat. "That has come up many times" in the past, he said. "But once you get into the area of loans as productive and nonproductive, that quickly becomes a nonproductive activity."

Pressure on interest rates would subside, Mr. Wallich suggested, if "people" would stop making public statements urging the Fed to relax its control over rates and, thus, its efforts to prevent a rise in inflation.

Treasury Secretary Donald T. Regan has repeatedly urged the Fed to relax its monetary policies, but President Ronald Reagan, in a nationally televised news conference, said the agency's policies appeared correct.

Without referring to administration officials, Mr. Wallich said: "People outside can stop pressing the Fed to ease, because that is precisely the situation that the markets fear."

He asked: "What would you want to accomplish by imposing restraints on 'nonproductive' borrowing?"

The money supply is expanding in line with the Fed's objectives, he said, and borrowing, as measured by the Fed's credit aggregate, has been moving faster than the aggregates for money. "But," he said, "we're a long way" from allocating credit.

Mr. Wallich said that if the Fed were to restrict such lending, borrowers would merely go elsewhere for funds. "The capital market for large borrowers is like a bathtub," he said. "You can dip in it here; you can dip into it there."

Mr. Wallich, who was appointed a governor in 1974, said the Fed's "proper role is to achieve and maintain credibility that it's going to continue its anti-inflationary policy." He added, "Only by maintaining our current policies can we generate that kind of confidence."

Once the markets are persuaded of the Fed's commitment to keeping down inflation, he said, rates should decline. "But the confidence doesn't come by statements," he said. "It's earned."

Mr. Wallich said the economy looked a bit more robust than he had expected a few months ago, but not dangerously so. "The economy looks good," he said. "We've got a

good rate of growth. It was high, but it's coming down."

He said the economy in the second quarter is more likely to grow "4, 5 or 6 percent," not the 2 to 3 percent some economists predicted at the start of the year.

He predicted the economy would drift into a "soft-landing" of 3- to 4-percent growth by the end of the year and an average rate of 3 percent next year.

Mr. Wallich said the difficulties of Continental Illinois — which was given a \$7.5-billion credit line from federal regulators earlier this month in the face of rising withdrawals from overseas investors — confirmed his view that government deregulation of the banking system ought to support efforts that allow more branch banking rather than diversification into new activities.

Continental's problem, he said, was partly the result of Illinois regulations that prohibit branch banking. "They don't have core deposits," he said of Continental. "You're not allowed to branch, so you have to purchase day-to-day money that you need."

**Gold Options (prices in \$/oz.)**

Price	Aug	Nov	Feb
300	242.125	240.250	—
400	242.125	240.250	—
500	242.125	240.250	—
600	242.125	240.250	—
700	242.125	240.250	—
800	242.125	240.250	—
900	242.125	240.250	—
1000	242.125	240.250	—

Gold 3042.35/25.50  
Values White Weld S.A.  
1231 Geneva 1, Switzerland  
Tel. 31 02 51 - Telex 28 395

## Citicorp Aide Says Ceiling On Rates Would Not Work

By James L. Rowe Jr.  
Washington Post Service

**NEW YORK** — A top Citicorp official said that proposals to limit the interest charged on loans to major debtor countries are unworkable and that such a cap would hurt rather than help the countries to improve their economies.

Thomas C. Theobald, vice chairman of Citicorp, said if the banks limit the interest they charge, they might quickly find themselves "in the untenable position of lending money for a lower price than we were paying for it in the market place."

He said banks have been reducing the spread — the difference between the banks' cost of money and the rate that they charge their borrowers — for many major debtor countries because the countries have taken steps to improve their economies. Because the loans are based on the banks' cost of raising funds, fewer banks have increased interest rates' have raised the debt service costs of the borrowing countries.

"Stated plainly, there is a choice of commercial banks lending money at market rates, or of not lending at all," Mr. Theobald said.

The idea of an interest-rate cap was first floated by New York Federal Reserve Bank's president, Anthony M. Solomon, in congressional testimony. Paul A. Volcker, the Federal Reserve Board chairman, and others have said that the pro-

posal has merit. The Reagan administration has generally opposed the idea, but the Treasury Department has softened its opposition to the cap.

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**H&R BLOCK**  
THE INCOME TAX PEOPLE

## Leveraged Buyout Makes Life Easier for Houdaille President

(Continued from Page 15)

come down and see us," he recalled. The agreement was made, and Houdaille (pronounced HOOD-ay) became private.

One reason that the agreement appealed to Houdaille, despite the prospect of going heavily into debt, was that "we were on various hit lists and takeover lists," Mr. O'Reilly recalled. "We wanted to do something for ourselves, but our principal concern was to get the top price for our shareholders and protect the interests of the corporation and employees."

In 1978, Houdaille's stock was selling under its book value at \$15 a share. There are many such solid but unglamorous companies; their stocks struggle on the exchanges.

Their performance is disappointing to shareholders and management. These companies, however, often attract the professionals — takeover and leveraged-buyout experts who look for the companies' true worth.

When takeover rumors began to circulate about Houdaille, its stock rose to \$30. Meanwhile, the Wall Street firm of Kohlberg, Kravis, Roberts & Co., a specialist in leveraged buyouts, was looking at Houdaille.

It got together with the company

through Houdaille's investment banker at the time, Goldman, Sachs & Co., and made the offer that eventually turned out to be \$355 million, or \$40 a share. At that point, Houdaille stock was selling for just over \$20 a share.

And the \$40-a-share price was generous enough to avert any shareholder suits. Mr. O'Reilly and other top executives got to stay with the company with an equity interest.

Here is how the agreement broke down: \$60 million came from bank borrowings, \$246.5 million from the issuance of debt securities and \$48.5 million from the sale of preferred and common stock.

Top management and other key employees paid \$2.1 million for 8 percent of the common stock. Kohlberg, Kravis with two limited partnerships put up \$6.9 million for 25 percent, and 23 institutional investors bought \$15.6 million, or 67 percent.

According to proxy material prepared for the buyout, Mr. O'Reilly's share was 1.8 percent of the new common at a purchase price of \$504,000.

Before the merger, he owned 55,200 shares of Houdaille common, including 46,000 shares subject to stock options. After the merger, the aggregate value of the 46,000 was \$1.1 million, and the value of the remaining 9,200 shares, at the buyout price of \$40 a share, was \$368,000.

Houdaille had on hand \$34.8 million in cash, and the buyout plans expected to add \$45.7 million from the sale of properties and Houdaille construction operations. Those sales have been completed and "we pretty much realized our goals," said John Latona, Houdaille's vice president for law.

Gerald C. Satterelli, who had been chairman, president and chief executive, retired at the time of the agreement, at the age of 67, and Mr. O'Reilly, now 58, was moved up to be president and chief executive. Jerome Kohlberg Jr. of Kohlberg, Kravis became Houdaille's chairman.

Only one other Houdaille executive, Donald N. Boyce, is on the board. The other directors are Henry R. Kravis, George R. Roberts and Donald Herdich, all of Kohlberg, Kravis.

Mr. Latona said the board got together once a month, mostly on the telephone. "They leave the decisions to us in terms of operations," Mr. Latona said. "But they ask very good questions."

Mr. O'Reilly now manages more for cash flow than for per-share earnings. "They impact on each other," he said, "but there is a subtle difference. You can look out at a longer horizon as a private company."

At a public company, "fortunately or unfortunately, results are measured in very short periods such as a quarter," he said. "You try to make them look improved and so forth. At a private company you don't have to be quite as conscious as that."

But the principal advantage that

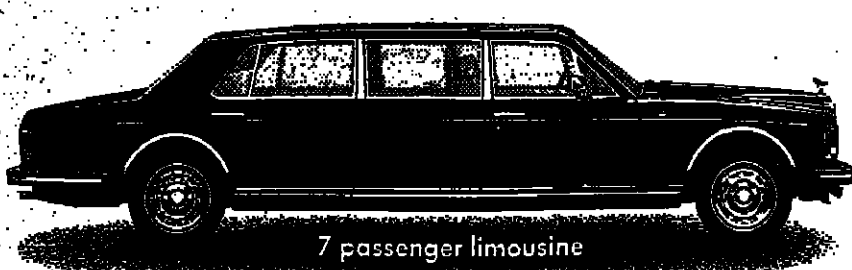
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**Nationale-Nederlanden**

To holders of warrants entitling to bearer depositary certificates representing shares in our company and issued in conjunction with:

a) the US \$ 30,000,000 8% debenture loan 1976 issued by Nationale-Nederlanden Finance Corporation (Curacao) N.V., established at Willemstad (Curacao), and

b) the share issue by Nationale-Nederlanden N.V. in 1976 with a nominal value of Dfls 13,077,700.

As a result of the declaration of a final dividend for 1983 of Dfls 4.90 per share, to be taken up optionally either in cash or Dfls 1.20 in cash and Dfls 0.20 nominal value in bearer depositary certificates out of share premium the warrant exercise price has not been changed.

As a result of a distribution in bearer depositary certificates, out of share premium, of Dfls 1.— nominal value, the warrant exercise price has however been reduced as per 2 June 1984:

a) in respect of warrants 1976 from Dfls 97.80 to Dfls 88.90 per certificate and

b) in respect of warrants 1978 from Dfls 110.25 to Dfls 100.23 per certificate.

In consequence of this reduction the number of bearer depositary certificates representing shares in Nationale-Nederlanden N.V. obtainable per warrant has been increased as per 2 June 1984:

a) in respect of warrants 1976 to 13,498,313 and

b) in respect of warrants 1978 to 12,471,216.

The Hague, 30 May 1984 The Executive Board

## Mezzanine Capital Corporation Limited

IMPORTANT NOTICE TO HOLDERS OF Bearer Depositary Receipts ("BDRs") evidencing partly-paid Participating Redeemable Preference Shares ("PRPS") of US 1 cent each in Mezzanine Capital Corporation Limited (the "Company").

## Exchange of Partly-paid BDRs for Fully-paid BDRs

Holders of partly-paid BDRs are reminded that the payment of the second and final instalment of US\$500 per unit of 100 Shares, in respect of the partly-paid BDRs, is due on or before 15th June, 1984.

Payment should be made and each existing BDR may be exchanged by the holder thereof for a Bearer Depositary Receipt evidencing the equivalent number of fully-paid Participating Redeemable Preference Shares of the Company ("Fully-paid BDRs") at the specified offices of the Depositary of any Paying Agent (set out on the reverse of the BDRs and at the foot of this Notice) provided that—

(A) the existing BDR is surrendered to the Depositary or to a Paying Agent for cancellation together with a duly completed Form of Exchange attached thereto;

(B) payment of the final instalment due in respect of the BDR made in accordance with one of the alternative manners specified in the Form of Exchange, is received by the Depositary in cleared funds in its account with Manufacturers Hanover Trust Company in New York;

(C) at the time the Depositary is first in receipt of cleared funds in the manner required by (B) above the holder of the BDR has not been notified by the Depositary of any default in payment of the BDR; and

(D) payment is made by the holder of the BDR of any relevant fees, taxes, duties and charges payable in connection with the issue of the relevant fully-paid BDR issued in exchange thereof.

FAILURE TO PAY THE FINAL INSTALMENT IN RESPECT OF ANY BDR ON OR BEFORE 15th JUNE, 1984 WILL RENDER THE FIRST INSTALMENT PAID THEREON AND THE BDR THEREON REPRESENTED THEREBY LIABLE TO FORFEITURE. BDRs EVIDENCING PARTLY-PAID SHARES WILL THEREFORE CEASE TO BE OF ANY VALUE AND FOLLOWING PAYMENT OF THE FINAL INSTALMENT MUST BE SURRENDERED IN EXCHANGE FOR NEW BDRs EVIDENCING FULLY PAID SHARES.

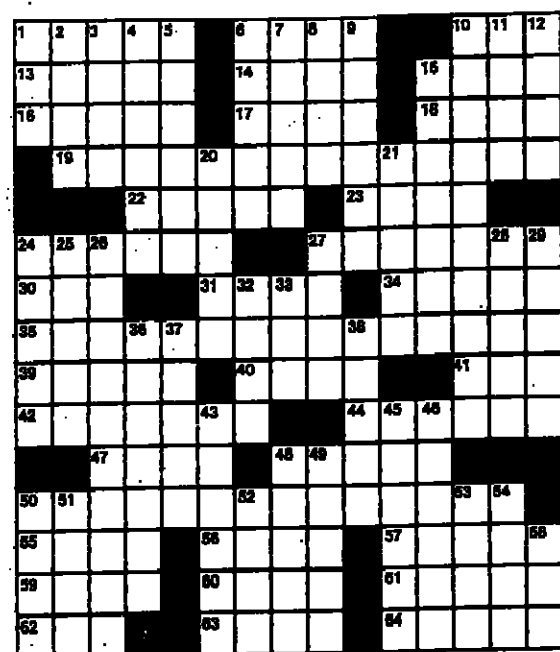
Persons whose BDRs are being held on their behalf by Morgan Guaranty Trust Company of New York, Brussels Office, as operator of the Euroclear System, or by Cedeit S.A., should authorise Euroclear or Cedeit to complete the Form of Exchange and make payment on their behalf.

**Depositary and Principal Paying Agent**  
Manufacturers Hanover Bank (Guernsey) Limited,  
Manufacturers Hanover House, Le Trenchard,  
St. Peter Port, Guernsey, Channel Islands

**Paying Agents**  
Manufacturers Hanover Bank/Belgium S.A.  
Rue de Liège 13, B-1000 Brussels, Belgium  
Manufacturers Hanover Trust Company,  
Boekenhofmeir Landstrasse 51-53,  
D 6000 Frankfurt/Main 1, West Germany  
Manufacturers Hanover Trust Company,  
Shell Tower, 33/34th Storey,  
50 Raffles Place, Singapore 0104  
Manufacturers Hanover Trust Company,  
7 Princess Street, London EC2P 2LR  
Manufacturers Hanover Bank Luxembourg S.A.,  
38 Boulevard Prince Henri,  
Luxembourg, Grand Duchy of Luxembourg  
Manufacturers Hanover Trust Company,  
Edinburgh Tower, 43rd Floor,  
15 Queens Road, Central, Hong Kong  
Manufacturers Hanover Trust Company,  
Stockenstrasse 35, 8027 Zurich, Switzerland  
Morgan Guaranty Trust Company of New York,  
14 Place Vendôme, 75001 Paris, France

by: Manufacturers Hanover Bank (Guernsey) Limited  
St. Peter Port, Guernsey  
Dated 1st June, 1984





**ACROSS**

1 Astronomer, at times  
6 They give a hoot  
10 Bleak  
13 Kind of acid  
14 Elve's  
15 River through Bern  
16 Quantities in steins  
17 "Shanter," Burns poem  
18 Liana or allamanda  
19 Incapable of concentration  
22 Ferrus  
23 Zounds!  
24 Pandemonium  
27 Most uninteresting  
30 Scull  
31 City in SW California  
34 Star of 58 Down  
35 Contrary to one's nature  
38 Ooze  
40 Mouthbatten was one  
41 Alley  
42 Alley match  
44 "Pointe," Mich.

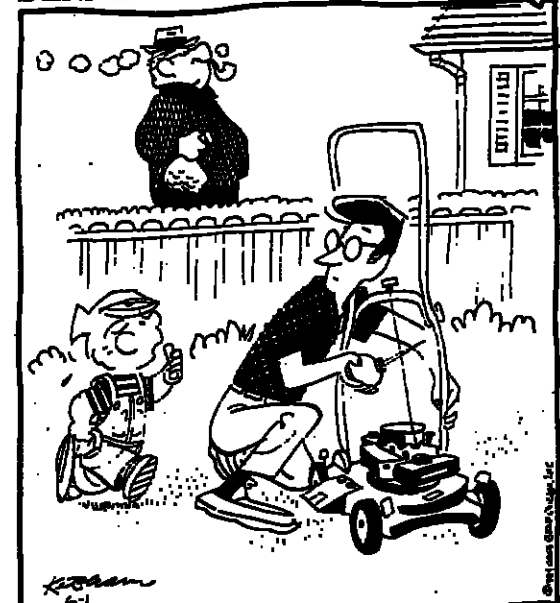
**DOWN**

1 Lacuna  
2 Author Kingsley  
3 Color called cloud gray  
4 Necessitate  
5 Pulpits  
6 Time after time  
7 Fatigued  
8 Wing or fin  
9 Sound sleeper?  
10 Inning interruptions  
11 Book by Björnson  
12 Use a hoe

47 Leaf  
48 One step  
49 Populard hot  
50 Lab. test  
51 Sturdy boat  
52 Buck or eye  
53 out (gets by)  
54 Offorty site  
55 Word with the M-G-M lion  
56 Gossip  
57 Licks and sticks  
58 "Dream of Gerontius" composer  
59 Required  
60 Lariats  
61 Robinson was one  
62 More resentful  
63 Rendezvous  
64 City near Luxor  
65 Calpurnia, to Caesar  
66 Fenrir's father  
67 "creature was stirring..."  
68 Inclusive abbr.  
69 "143," 1982 film

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## DENNIS THE MENACE



MY NAME IS LARRY CALVIN. I WOULD LIKE TO SEE MR. WILSON FOR A FEW MINUTES.

THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

NATEE

SOSYM

CERAPH

DUGIED

Now arrange the dotted letters to form the scrambled words, as suggested by the above cartoon.

ANSWER: "NATEE" = NATURE; "SOSYM" = SYMPOSIUM; "CERAPH" = CERAPH; "DUGIED" = DUGIED.

Yesterday's Jumbles: EKUDE, MUSTY, KILLER, TWINGE. Answer: "EKUDE" = KUDU; "MUSTY" = MUSTY; "KILLER" = KILLER; "TWINGE" = TWINGE.

ANSWER: "NATEE" = NATURE; "SOSYM" = SYMPOSIUM; "CERAPH" = CERAPH; "DUGIED" = DUGIED.

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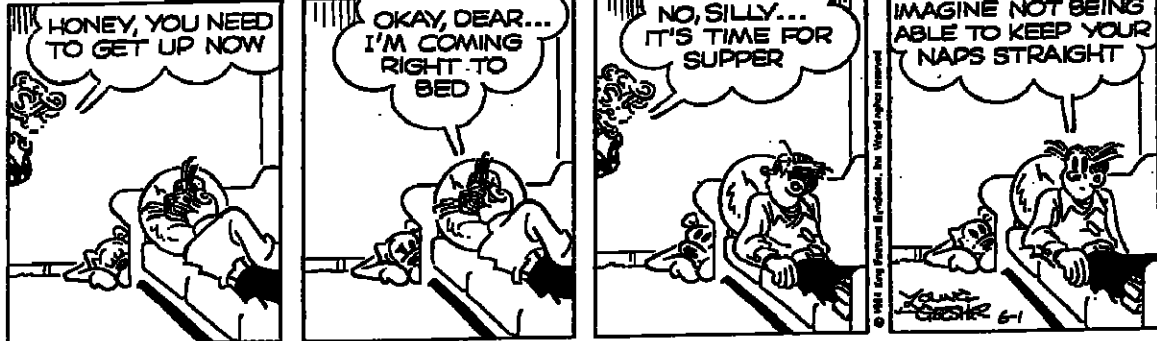
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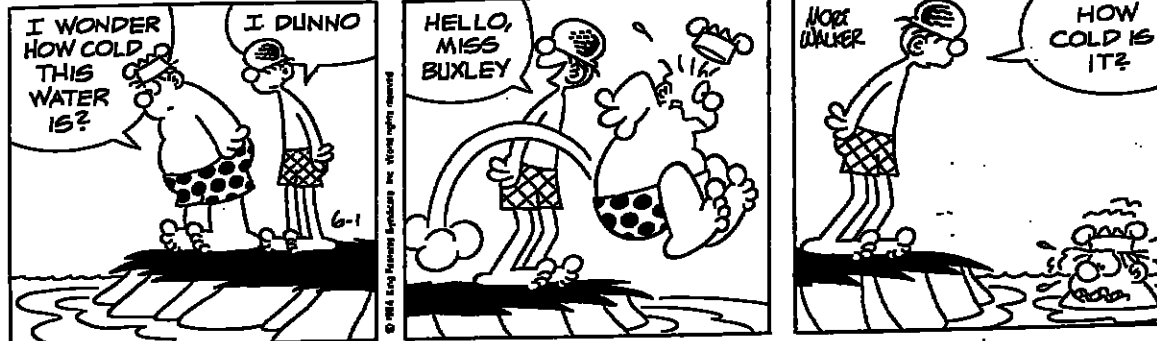
## PEANUTS



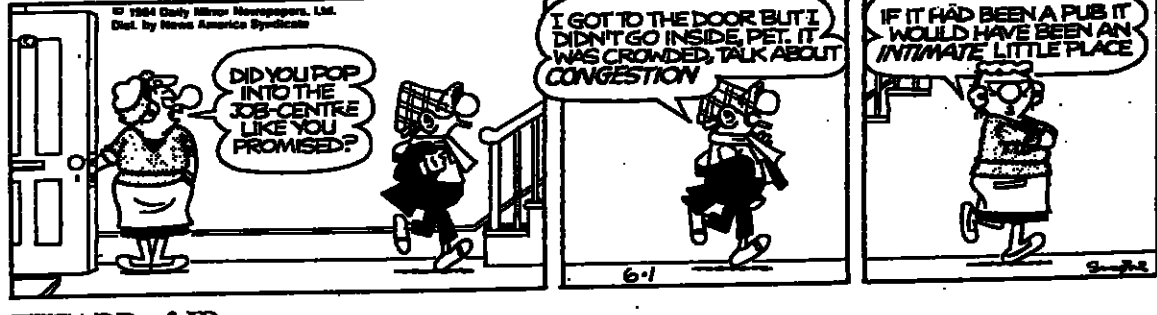
## BLONDIE



## BEETLE BAILEY



## ANDY CAPP



## WIZARD of ID



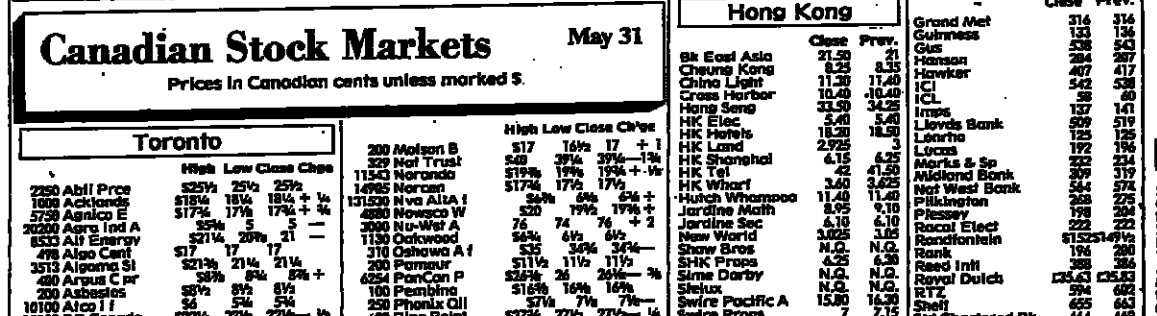
## REX MORGAN



## GARFIELD



## JUMBLE



## WEATHER

7800 Bangkok RT	140	130	130	5	40	Ram Pao	140	130	130	5	40	AA Corp	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 1/2	517 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## SPORTS

## McEnroe, Navratilova Pace Top Seeds to Third Round in Paris

PARIS — John McEnroe, although not at his best Thursday, joined a parade of top players who moved into the third round of French Open tennis championships.

Top seed McEnroe downed fellow American Ben Testerman, 6-4, 6-1, 6-4. Ivan Lendl and Jimmy Connors, respectively seeded second and third, also advanced, as did the top two women seeds, Martina Navratilova and Chris Evert Lloyd.

McEnroe was warned for racket abuse and had his service broken twice, but still had an all-court game too strong for Testerman, who last year took him to five sets in a stormy first-round battle.

McEnroe had a torrid time with officials on that occasion and almost lost the match.

On Thursday, he was warned in the middle of the third set and had two or three other skirmishes with the umpire.

But none were serious, and he won comfortably to take his place in the final 32.

Testerman afterward said he was unhappy about the number of calls that went McEnroe's way.

"The guy in the chair did not control the game very well," he said. "You are not supposed to

overrule calls unless they are blatantly wrong, and several today were very close."

Lendl, seeded to meet McEnroe in the men's final, was in devastating form as he thrashed Mario Martinez of Bolivia, 6-1, 6-0, 6-1.

Meanwhile, a relaxed and smiling Navratilova brushed aside

Marcella Meeker. Ranked No. 1 worldwide, Navratilova moved a step closer to winning the grand slam by crushing her Dutch opponent, 6-1, 6-1, in 47 minutes without playing her best tennis.

Navratilova holds the current Wimbledon and U.S. and Australian Open titles.

As in her first-round match, the winner showed an occasional wild forehand and nipped some approach shots, but the second match point was vintage Navratilova: She got to a smash well behind the baseline and mustered a dazzling passing shot that had the center-court crowd applauding wildly.

Third-seeded Hana Mandlikova, expected to meet Navratilova in the semifinals, came through safely with a 6-2, 6-4 victory over American Susan Mascarin.

Connors' lobs, drop shots and forehand and backhand winners easily dispatched John Lloyd of Britain, 6-4, 6-1, 6-4. Connors, 31, is seeking the only grand slam title that has eluded him.

Against practically any other opponent, Lloyd would have fared better. He played well, serving powerfully and passing Connors whenever he had the chance.

Connors turned in the best performance of the championships to date.

He had his luck with at least a half-dozen net cords, but made few unforced errors and always had Lloyd on the defensive by going for the lines of the slow, red-clay court.

"I would say that I played quite well," Connors said. "But both John and I thought the court was awful. We got a lot of bad bounces — it was very soft."

Watching the match on Court 1 was Lloyd's estranged wife, Chris Evert Lloyd, who mimics earlier bad reaches the third round by blanking Masako Yanaki of Japan, 6-0, 6-0, in 41 minutes.

Two more women's seeds to progress were No. 8 Kathy Horvath, a 6-1, 6-0 winner over Etsuko Inoue of Japan, and West German Claudia Kohde-Kisch, who beat Sophie Amiauh of France, 6-4, 6-0.

Andres Gomez of Ecuador, seeded seventh among the men, defeated American Marcel Freeman in straight sets, while Jimmy Arias, seeded fifth, downed Italian Davis Cup player Gianni Ocleppo in three sets.

Tomas Smid of Czechoslovakia, the No. 14 seed, was eliminated in straight sets by Emilio Sanchez of Spain 7-6, 6-4, 6-4.

## MEN'S SINGLES

First Round

Tyork Benhabib, France, def. Ferrando Luna, Spain, 4-6, 6-2, 6-4, 7-5.

## Second Round

Jimmy Arias (5), U.S., def. Gianni Ocleppo, Italy, 7-6, 6-2, 6-2.

John Lloyd (11), U.S., def. John Lloyd, Britain, 6-4, 6-1, 6-4.

John Connors (31), U.S., def. John Connors, Britain, 6-4, 6-1, 6-4.

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Red Sox left fielder Marty Barrett kept Bob Ojeda's shutout going by tagging out Minnesota's Mickey Hatcher, trying to stretch a single, in a second-inning rundown play.

## Red Sox Lefty Completes Fenway Double Shutout

Compiled by Our Staff From Dispatches  
BOSTON — Bob Ojeda registered his third shutout of the year Wednesday night, a 2-0 triumph over the Minnesota Twins, with fellow left-hander Bruce Hurst, pitched himself into Boston Red Sox history.

In a span of four days — including a couple of rainouts — Hurst and Ojeda have thrown consecutive shutouts at Fenway Park, whose configuration strongly favors right-handed hitters and hence is unusually tough on left-handed pitching.

(Hurst blanked Kansas City, 6-0, on Sunday). The last time the feat was accomplished by Red Sox lefties here was on Sept. 29-30, 1916, when Babe Ruth and Dutch Leonard beat the New York Yankees by 3-0 and 1-0, respectively.

Ojeda (5-4) gave up seven hits; two came in each of the first two innings, but he didn't allow a runner past second after that. Jim Rice drove in both runs with his seventh home run of the year and a sacrifice fly.

Losers John Butcher (3-3) was tagged for 12 hits before leaving in the eighth inning. The winners' Mike Easler had four consecutive hits and Bill Buckner three.

Tigers 2, A's 1  
In Oakland, California, Kirk Gibson hit a tie-breaking homer in the ninth and three Detroit pitchers combined on a four-hit shutout as the Tigers nipped the A's, 2-1.

Orleans 8, Mariners 2  
In Seattle, Eddie Murray and Todd Cruz homered and drove in three runs apiece to back the four-hit pitching of Mike Boddicker as Baltimore breezed past the Mariners, 8-2. The Orioles have won five straight.

Rangers 7, Royals 3  
In Arlington, Texas, Charlie Hough pitched an eight-inning victory and Mickey Rivers hit his first home run of the year to highlight a 13-hit attack that paced Texas to a 7-3 decision over Kansas City.

Indians 9, Brewers 1  
In Cleveland, Bill Schroeder hit two homers and Cecil Cooper singled home Rick Manning in the 10th to give Milwaukee a doubleheader split with a 3-2 triumph over the Indians. In the 9-1 opener, Neal Heaton pitched a four-hitter as Cleveland broke a five-game losing streak.

Blue Jays 2, White Sox 1  
In Chicago, Buck Martinez and Alfredo Griffin had run-scoring singles and Dave Stieb (7-1) scattered four hits over eight innings as Toronto edged the White Sox, 2-1. The Blue Jays, who have won eight

of their last nine games, lost their first three one-run decisions this year, but since then have won 18 straight.

Yankees 10, Angels 1  
In Anaheim, California, Ron Gaudy pitched a seven-inning shutout and Butch Wynegar hit home runs to propel New York to a 10-1 trouncing of California. Gaudy (3-4) halted a two-game losing streak for both the Yankees and himself, shutting down the Angels after they scored a first-inning run.

Cubs 6, Braves 2  
In Atlanta, Steve Trout had a no-hitter for 7½ innings before settling for a combined two-hitter with reliever Lee Smith that made Chicago a 6-2 winner over the Braves. Trout (6-3) did not allow a hit until Albert Hall's RBI single off the glove of second baseman Jerry Sandberg with two out in the eighth. Alex Trevino had walked and Jerry Royster reached on an error by shortstop Larry Bowa before Hall's hit. Rafael Ramirez then singled to left to score Royster and bring on Smith.

Dodgers 4, Expos 1  
In Montreal, rookie Franklin Stubbs and Ken Landreaux both hit two-run homers to carry Los Angeles past the Expos, 4-1.

Cardinals 6, Astros 4  
In Houston, pinch hitter Tito Landrum's two-run single capped a four-run eighth that lifted St. Louis to a 6-4 victory over the Astros. Andy Van Slyke opened the inning with a walk and scored on Schroeder Hendrick's double down the line in left. After Willie McGee singled home Hendrick, Ozzie Smith walked. McGee and Smith executed a double steal before Landrum singled to center. Reliever Ricky Horton was a winner in his first major-league decision.

Reds 6, Pirates 4  
In Cincinnati, Brad Gould hit a three-run homer with two out in the 14th to give the Reds a 6-4 victory over Pittsburgh. Gould's game-winning homer off Don Robinson (0-1) after Robinson's RBI single had put the Pirates ahead in the top of the inning. Wayne Krenchicki homered for Cincinnati, which has won five straight games.

Phillies 3, Giants 2  
In Philadelphia, pinch hitter Greg Gross's bases-loaded sacrifice fly in the second scored Joe Lefebvre and gave the Phillies a 3-2 verdict over San Francisco in a game delayed by rain for an hour and 50 minutes after the top of the ninth. Winner Al Holland, who took over for Steve Carlton in final inning, stretched his scoreless streak to 18½ innings. (UPI, AP)

## Bird, 'Magic': That Championship Rivalry

By Roy S. Johnson

New York Times Service

NEW YORK — "Here, look at this," Pat Riley, the Los Angeles Lakers coach, said recently in his spacious office at the Forum in Inglewood, California. He held a large black-and-white photograph.

"Isn't it something?"

Tasted along one edge, the photo showed two basketball players. One has the ball and is sprinting upcourt, toward the camera.

His left hand is on the ball, which is in midair, but he is glancing over his left shoulder at the other. The other's eyes are focused on the ball and his arms are pumping furiously. There are eight additional players on the floor, sprinting, jockeying for position, but for this frozen moment these two men — Larry Bird and Earvin Johnson — are the only ones who matter.

(Magic) Johnson chasing him — seem all alone.

Riley didn't know when the picture was taken. "That's part of what's great about it," he said. "It could have been any game, any time, and anything could have happened. Two of the greatest. Isn't it something?"

It was also apropos, for not since the days when Bill Russell and Wilt Chamberlain dominated the game have two players been so closely identified with each other as are Bird, the dazzling forward of the Boston Celtics, and Johnson, the Lakers' equally brilliant point guard.

"They're simply two of the all-time greats," said K.C. Jones, the Celtics coach. "They're so alike, but they're so different. Bird's black, so those who want to can identify with him, and Bird's white for those who want to identify with him. Bird's a great passer, rebounder and scorer. Larry's all that — and he can shoot better than any big man I've ever seen."

"They've got such creative imagination," he added. "People sit there and marvel."

Sunday in Boston, in Game 1 of the National Basketball Association championship series, Bird led a 24-9 third-quarter spurt with 8 points to bring the Celtics to within 52-88. But Boston never caught up, losing the opener of the four-game series, 115-109. Bird finished with 24 points and Johnson had 18.

Their backgrounds are different — Johnson, raised in Lansing, Michigan, was a legend before he



Larry Bird, left, and Earvin Johnson got down to business in their first meeting, the '79 NCAA final.

left high school; Bird learned the game in French Lick, Indiana ("it's as small as it sounds") — but even then their games were similar.

Both were, and are, passing wizards, but each also has the skill to finish the play himself. Bird is the better shooter. At 6-foot-9 (2.05 meters) he may be the best-shooting big man ever. Johnson's strength is in executing the fast break. "No one pushes the ball up the floor like he does," said Lakers teammate Jamaal Wilkes. "Just be where you're supposed to be. He'll get the ball to you."

Their relationship began on March 26, 1979, when they met in Salt Lake City for the national collegiate title. Johnson's team, Michigan State, dominated Bird's, Indiana State, 75-64.

On that night, Johnson, at 6-8 (an inch shorter than his current height) was every bit the magician. He scored 24 points and controlled the game. Bird was capped. With a 3-year, 30-point scoring average, he was limited to 19. As the game ended, Johnson displayed his energy and enthusiasm by hugging his teammates and dispensing a round of then seldom-used high-fives, all with a smile that has since become famous. Bird cried.

As pros they've played against each other only 10 times because the Lakers and Celtics meet only twice a year. Their teams have split the games. The first time they met Los Angeles won easily, but there was a moment in the late going when Johnson drove the lane and was rudely met by Bird. They col-

lided, and simply stared at each other for several seconds.

Asked later for comment, Bird was terse. "I don't go out to dinner with him," he said. "I just know him on the basketball floor, and that's it. If he thinks he's going to drive the lane and I'm going to lay down, he's crazy. I've got a job to do. If he's going to come down the lane like that he'd better hold on."

Nothing has changed in the years since. They acknowledge each other's greatness on the court, but little else. "I still don't know him very well," said Johnson, whose on-court effectiveness contrasted sharply with Bird's intense, workmanlike playing style.

That their teams have faced each other so few times has not kept their careers from being intertwined. Ask any expert to name the game's best center and he'll nominate either Moses Malone or Kareem Abdul-Jabbar. "But," said David Stern, the NBA commissioner, "put 50 basketball minds in a room and ask them to pick a player to start their team, 25 of them will choose Bird and the other 25 will pick Magic."

"They give kids a different perspective on the game," said former Lakers Jerry West. "Instead of working on dunking, kids learn it's just as valuable to be able to make a lay-up with three guys coming at them or to thread a bounce pass through two defenders on a fast break. They play the kind of game kids can emulate. These guys are all about fundamentals and hard work. They're definitely had a positive impact."

Bird, at 27, and Johnson, 24, have become two of the sport's drawing cards. "They truly put people in the stands," said Jan Volk, the Celtics vice president. "If that's true, then basketball is getting its dollar's worth as the Celtics and the Lakers meet for the NBA title for the first time since 1969."

"Everybody's been talking about us being in the finals ever since we came into the league," said Johnson before Thursday's Game 2. "Me and Bird, the Lakers and the Celtics. It's what everybody's wanted to see. They're gonna get it."

In the 1960s, the Lakers and Celtics developed the sport's first truly national rivalry. They met in the finals seven times between 1959 and 1969; the Celtics won all seven.

"Every year we got there against them, people felt we had a chance

to win," said West of those playoff confrontations. "And some of them were close." West, a 13-time all-star and the all-time leader in playoff scoring, reached the finals in 9 of his 14 Lakers seasons. Six of those were losing series against Boston, but they provided some of the sport's finest performances.

The final meeting — until this season — came in 1969, when the Celtics won by 4 games to 3. It was considered something of an upset against a Lakers team that had obtained Chamberlain from Philadelphia. With him, the Lakers had ravaged their opponents during the regular season and were supposed to do the same to the Celtics.

Eliot Beyer, West and Chamberlain were all outstanding as Los Angeles routed Boston by 15 points in Game 5 for what appeared to be an insurmountable 3-2 lead.

The series came down to Chamberlain against Russell, who was in his final season. "It was like they were putting all of their many battles into one final stand," West recalled. "They went at each other with everything. Wilt was amazing, but Russell took everything that came at him."



